ANNUAL COMPREHENSIVE FINANCIAL REPORT

Celina, Texas

FISCAL YEAR
Ending September 30, 2023

CELINA
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City of Celina, Texas
Annual Comprehensive Financial Report

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Fiscal Year Ended September 30, 2023

ELECTED OFFICIALS:

Ryan Tubbs, Mayor

Jay Pierce, Mayor Pro-Tem, Place #2

Wendie Wigginton, Deputy Mayor Pro-Tem, Place #4

Philip Ferguson, Place #1

Andy Hopkins, Place #3

Mindy Koehne, Place #5

Brandon Grumbles, Place #6

CITY MANAGER OFFICE:

Robert Ranc, City Manager

Karla Stovall, Assistant City Manager

Kimberly Brawner, Assistant City Manager

PREPARED BY:

Robin Bromiley – Director of Finance

Brad Kearney – Assistant Director of Finance

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City of Celina, Texas

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Fiscal Year Ended September 30, 2023

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Introductory Section

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February 28, 2024

To the Honorable Mayor and City Council, City Manager, and Residents of Celina, Texas:

The City's management staff is pleased to submit the Annual Comprehensive Financial Report ("ACFR") of the City of Celina ("City") for the fiscal year ending September 30, 2023.

The purpose of this report is to provide the council, management, staff, the public, and other interested parties with detailed information regarding the City's financial condition. State Law requires that every general-purpose local government publish a complete set of audited financial statements within six months of the close of the fiscal year. This report is hereby submitted as mandated by both local ordinance and state statutes for the fiscal year ended September 30, 2023.

This report consists of management's representations concerning the finances of the city. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City's various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required to obtain an annual audit of the City's financial records and financial activities. FORVIS, LLP, a licensed, independent certified public accountants' firm, has audited the City's financial statements. The independent audit's goal is to provide reasonable assurance that the City's financial statements for the fiscal year ended September 30, 2023, are free of any material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified ("clean") opinions that the City's financial statements for the fiscal year ended September 30, 2023, are fairly presented in conformity with Generally Accepted Accounting Principles ("GAAP"). The independent auditor's report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal, and the two should be read in conjunction with each other.

OUR HISTORY

In the northwest corner of Collin County, Celina was not established until 1876, but settlers came into the area at a much earlier date. These settlers lived the lives of typical pioneers building their homes from logs or hauling lumber from Jefferson. They traveled by foot, horseback, or in wagons, making their clothes at home and raising what they had to eat. These early families mainly came from Tennessee and Kentucky.

In October 1879, a little settlement began to form a few miles southwest of the present-day Celina. John T. Mulkey, Celina's first Postmaster, renamed the City after Celina, Tennessee. The Methodist church was built in 1880 and also doubled as the school for a while. By 1885, a general store, mill, and drug store opened in "Old Celina". When the railroad came through the City in 1902, residents made an effort to move the City's actual main street eastward toward the tracks. The result is where the City square stands today. Celina has always been a Small City with a big vision!

CURRENT DAY

Celina has grown from a farming community near the Grayson County border to the most desired and valuable place to live, work and raise a family. The City has experienced unprecedented growth, with the population growing 137% in the last five years. As of September 30, 2023, the estimated current population was 35,028 representing the city limits and not the service limits. This pace makes Celina one of the fastest-growing cities in the Dallas-Fort Worth Metroplex. Situated in high-growth Collin County and nestled between the major arteries of Preston Road to the east and the future Dallas North Tollway to the west, Celina's maximum projected buildout population is approximately 380,000. Celina is positioned geographically, demographically, and economically to quickly become a big player in the North Texas metropolitan community. Celina's median household income is $139,813 with an average home value of $552,081. Residents are only minutes away from Frisco's "$5 Billion Mile," major hospitals, and the top-ranked Prosper and Celina school districts.

COMMUNITY

Celina celebrates its authentic culture. The signature event, CajunFest, as well as several other family-oriented events including Friday Night Farmer's Markets, Movies on the Square, Splash and Blast 4th of July Celebration, Beware! Of the Square and Christmas on the Square, promote Celina's community identity. For the adults, several local wineries promote an interest in culture and good wine.

PROFILE OF THE GOVERNMENT

The City of Celina is a home-rule municipality and operates on a Council-Manager form of government. The governing body includes the Mayor and six City Council members, all serving three-year terms. City Council adopts all ordinances (laws) and resolutions and determines the overall direction of the City.

The City Manager is the chief executive officer of the City and is responsible for the enforcement of laws and ordinances, provision of City services, organization of City departments, and hiring City employees.

The City of Celina provides a full range of services supported through the City's property tax on both real and personal properties located within its boundaries and the ability to extend its boundaries by annexation when deemed appropriate by the City Council, as well as sales tax and charges for service. These services include fire, police, ambulance, emergency services, the public library, parks, recreation, water, sewer, trash pickup, traffic engineering, streets, infrastructure, community development, planning and zoning, public improvements, economic development, and other administrative services.

The financial reporting entity includes all funds of the primary government as well as its component units. The component units are legally separate entities for which the primary government is financially accountable, but they are not part of the primary government's operations. The Celina Community Development Corporation (Type B) and Celina Economic Development Corporation (Type A) are included in the City's financial statements as discretely presented component units.

FINANCIAL INFORMATION

Financial System and Budgetary Controls

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. Management also ensures that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework.

The City's accounting records for general governmental activities are maintained on a modified accrual basis, with revenues recorded when available and measurable, expenditures recorded when the services or goods received, and liabilities recorded when incurred. Accounting records for the City's water and sewer and other proprietary activities are maintained on the accrual basis.

City Council is required to adopt an annual operating budget no later than October 1, the beginning of the fiscal year. A collaborative team made up of the City Manager, Executive Directors, and Department Directors work together to prepare a balanced budget that provides for the strategic vision outlined by City Council at the beginning of the process. The proposed budget is presented in detail to City Council prior to adoption to provide an opportunity for additional scrutiny. The City follows the Truth-in-Taxation process for adoption of the budget and ad valorem tax rate.

The budget is developed on a departmental level and adopted at the General, Debt Service, and Water and Wastewater fund levels. The level of control at which expenditures may not exceed budget without City Council approval is at the fund level. The objective of budgetary controls is to ensure compliance with the legal provision contained in the annual budget approved by the City Council. The City Manager has the authority to approve individual departmental budget overages. This budgetary level serves as the foundation for the City's financial planning and control. The City Council approves any amendment or additional funding requests for appropriations when the budget is exceeded at the fund level.

The City of Celina has prepared capital improvement long term plans that provide the framework for our future forecasting for the issuance of debt in addition to the necessity of operations and maintenance. Our priority is to provide long-range financial planning to ensure sustainability as well as meeting the service needs and expectations of our residents. The City currently provides a one year approved balanced budget with four years of planning at the operational level utilized internally for forecasting.

The accompanying Annual Comprehensive Financial Report incorporates all funds of the City, including all government activities, organizations, and functions for which the City is financially accountable as well as its component units. The City's component units are legally separate entities for which the City is financially accountable but are not part of the City's operations.

The City's discretely presented component units are:

- Celina Economic Development Type 4A Sales Tax Corporation (EDC)
- Celina Community Development Type 4B Sales Tax Corporation (CDC)

LOCAL ECONOMY

Celina has experienced tremendous growth. The growth is primarily because of new residential developments coming into the City. These new developments will bring a significant number of homes into Celina over the next several years. From FY 2020 through FY 2023, the City issued 8,223 single-family home construction permits, with 2,222 issued in FY 2023 alone. The City has led several North Texas Cities, including Frisco, McKinney, Little Elm, and Prosper, in issuing single-family construction permits since FY 2021. This rate of growth will have a significant impact on the City, the counties, and the school districts.

During fiscal year 2023, Celina welcomed 7Eleven Light Farms, 3-D Dance, Ameriprise Financial, Legacy Bagels, Millie's Italian Restaurant, and Swig Celina, along with 29 other businesses, into Celina. In addition, City sales tax revenue has increased with the addition of brick-and-mortar establishments, the local demand for online shopping, shop local campaigns, and the addition of households. The City recognized a 26 percent increase in sales tax revenue during FY 2023 compared to FY 2022. With more houses and retail being built comes the expectation that sales tax revenue will continue to increase.

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Celina is a premier community for educational opportunity with the highly rated Celina and Prosper ISDs serving residents. Celina ISD adds more than 1,000 students per year. It opened a new middle school for the 2022-2023 school year and plans to add one new elementary school every year for the next few years. Propser ISD continues to add high schools, middle schools, and elementary schools across the district. The Collin College Celina Campus opened in fall of 2021 with the ability to serve 2,500 students. The Celina Campus provides greater access to higher education for northwestern Collin County.

FUTURE FORWARD

Retailers continue to eyeball the prime potential development spots along Preston Road and the Dallas North Tollway (DNT). Up to 600,000 square feet of retail space for Costco, a home improvement warehouse, a large national health and fitness gym, a regional grocery superstore, and many others, will be built in Celina and add to the already expansive list of retailers and restauranteurs. Soon, more quick-serve dining options will come to parcels currently being developed. The sales tax base is set to double over the next five years.

In December 2023, the North Texas Tollway Authority (NTTA) Board approved a construction contract to extend the main lanes of the DNT from US 380 to FM 428. Construction will start in early 2024 with expected completion in late 2027. This extension will bring more economic development to the corridor. This stretch of the tollway through Celina has been labeled as a "Healthcare Corridor" due to the announcement of two significant hospital systems that they will purchase land and build facilities here. These two hospitals will serve our residents for generations to come.

Methodist Health System was the first major healthcare provider to announce plans to build its newest hospital in Celina. Methodist Celina Medical Center will be a $200 million project on 46.7 acres of land between the DNT and the future Celina Parkway. Methodist broke ground in 2022 on a five-story, 200,000 square foot project. They are currently 50% complete with overall construction and are aiming for a summer 2025 open date. The project will initially bring over 220 jobs to Celina.

Scottish Rite for Children has purchased a 76-acre parcel of land at the DNT and the Collin County Outer Loop. This beloved healthcare provider began serving North Texas families in 1921. The Celina site will be their fourth facility on or near the DNT.

In FY 2023, construction began on the 3,200-acre Legacy Hills master planned community. Its first phase will include 2,000 single family homes. Ultimately, 7,000 single family homes, 4,000 multifamily units, and significant retail/mixed use space are expected to be built.

MAJOR INITIATIVES

The City has completed several strategic initiatives, studies, plans, and capital projects during fiscal year 2023. These plans and initiatives will shape the identity and development of Celina for the next decade.

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The list of these accomplishments are as follows:

- ✓ Coordinated the inaugural *Life Connected* Service Day
- ✓ Re-established Keep Celina Beautiful Board and Celina Arts & Culture Board
- ✓ Expanded Downtown public Wi-Fi connectivity and added Wi-Fi to Old Celina Park
- ✓ Completed Commercial Development and Multi-Family Development Vision Book
- ✓ Completed master plans for Arts & Culture and the Library
- ✓ Created Downtown mural program
- ✓ Opened the new Ralph O'Dell Senior Center
- ✓ Recognized as a top workplace by *The Dallas Morning News* in 2023

The City's public infrastructure improvement projects are called Capital Improvement Projects. The following Capital Improvement Projects were completed, started, or under design during FY 2023.

- ✓ Expanded downtown pavers to Colorado St and Beech St, creating the Downtown Inner Loop
- ✓ Installed five new outdoor warning sirens
- ✓ Completed Legacy Hills Wastewater Treatment Plant
- ✓ Nearing completion of Police Headquarters
- ✓ Nearing completion of Fire Station #3
- ✓ Completed Downtown Patio Project
- ✓ Constructing Ownsby Pkwy Preston to Coit
- ✓ Paving Parvin Road FM 1385 to DNT
- ✓ Reconstructing Coit Rd from Marigold to Vest (northbound lanes are complete and southbound lanes are under construction)

ACKNOWLEDGMENTS

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. We would also like to thank the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Celina's finances.

Respectfully submitted,

Robin Bromiley

Robin Bromiley, MSA, CGFO
Director of Finance

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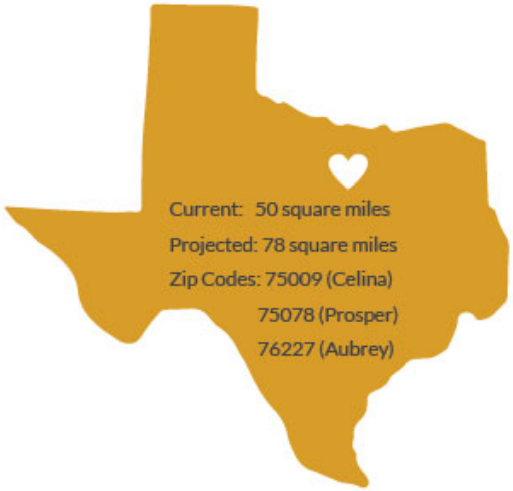
Celina Fast Facts

Population

	City Limits	Service Area
Population 2024	42,105	52,073
Population 2029	96,472	110,415

Trade Area: 154,468 (10 mile)
2023 Single Family Permits: 2,380
Buildout Population: 380,000



Demographics

Median Age: 37

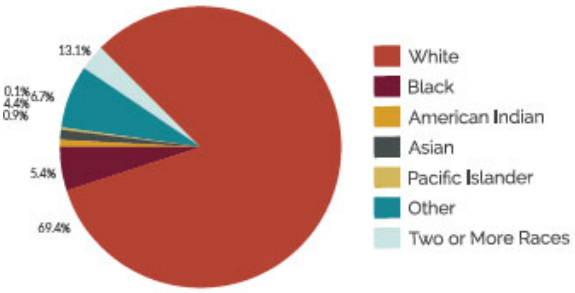
Education
51.4% Bachelor's/Grad/Prof Degree
29.2% Some College
13.4% High School Graduate

Median Household Income: $139,813
Average Home Value: $ 552,081

Transportation

Airports
Dallas Love Field Airport – 38.6 Miles/45 Min
DFW Airport – 37.4 Miles/45 Min

Major Highways
N/S: Dallas North Tollway, US 289, FM 1385, FM 2478
E/W: FM 428, FM 455, Outer Loop *(Open from Huddleston - Custer)*

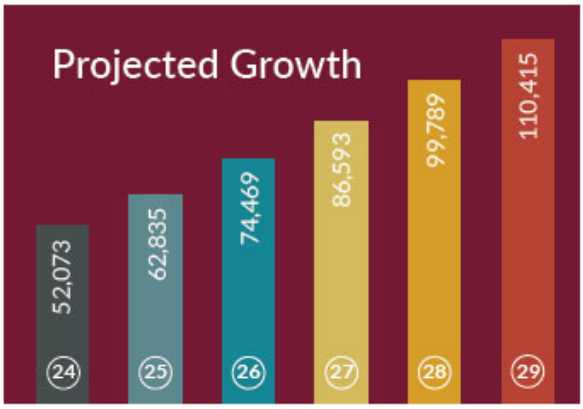


Education

Celina ISD: 1 high school, 1 middle school, and 3 elementary schools

Prosper ISD (Celina): 5 elementary schools

Collin College: Celina Campus



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THE CITY OF CELINA

CORE VALUES

EXCELLENCE

- We always do our best
- We embrace innovation and efficiency while remaining good stewards of City resources
- We are accountable and take pride in our work
- We seek opportunities to learn and expand our professional horizons

COMMUNITY

- We are a unified body and work as a team
- When we disagree, we resolve it according to our Core Values
- We value and respect all employees and our customers
- We foster a culture that includes understanding, support, balance, and a sense of humor
- We embrace openness, diversity, and inclusion

INTEGRITY

- We do the right thing at all times
- We are committed to building and maintaining credibility and trust both internally and externally
- We are accountable in our words and actions
- We question that which may be inconsistent with our Core Values

SERVICE

- We are selfless public servants and believe in helping others
- We treat everyone the way we wish to be treated
- We are caring and empathetic in all we do
- We work to deliver excellent service to all we encounter

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STRATEGIC PLAN
GOALS

Celina will continue to experience substantial growth over the next several years, and we have a deep understanding that to be truly great, we must make a series of thoughtful and strategic decisions, which are consistent with our Core Values. Our efforts and resources will be focused on goals that reflect reputable drivers, City strengths, and City opportunities.

1. BE THE *LIFE CONNECTED.* CITY
2. BE THE UNIQUE CITY
3. BE THE CITY OF THE FUTURE CONNECTED TO THE PAST
4. BE THE CITY BUILT ON PUBLIC SAFETY
5. BE THE CITY OF SERVANT LEADERSHIP
6. BE THE CITY OF INNOVATIVE INFRASTRUCTURE
7. BE THE CITY OF SMALL BUSINESS
8. BE THE CITY THAT SHARES OUR STORY

City of Celina, Texas
GFOA Certificate of Achievement

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Celina
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

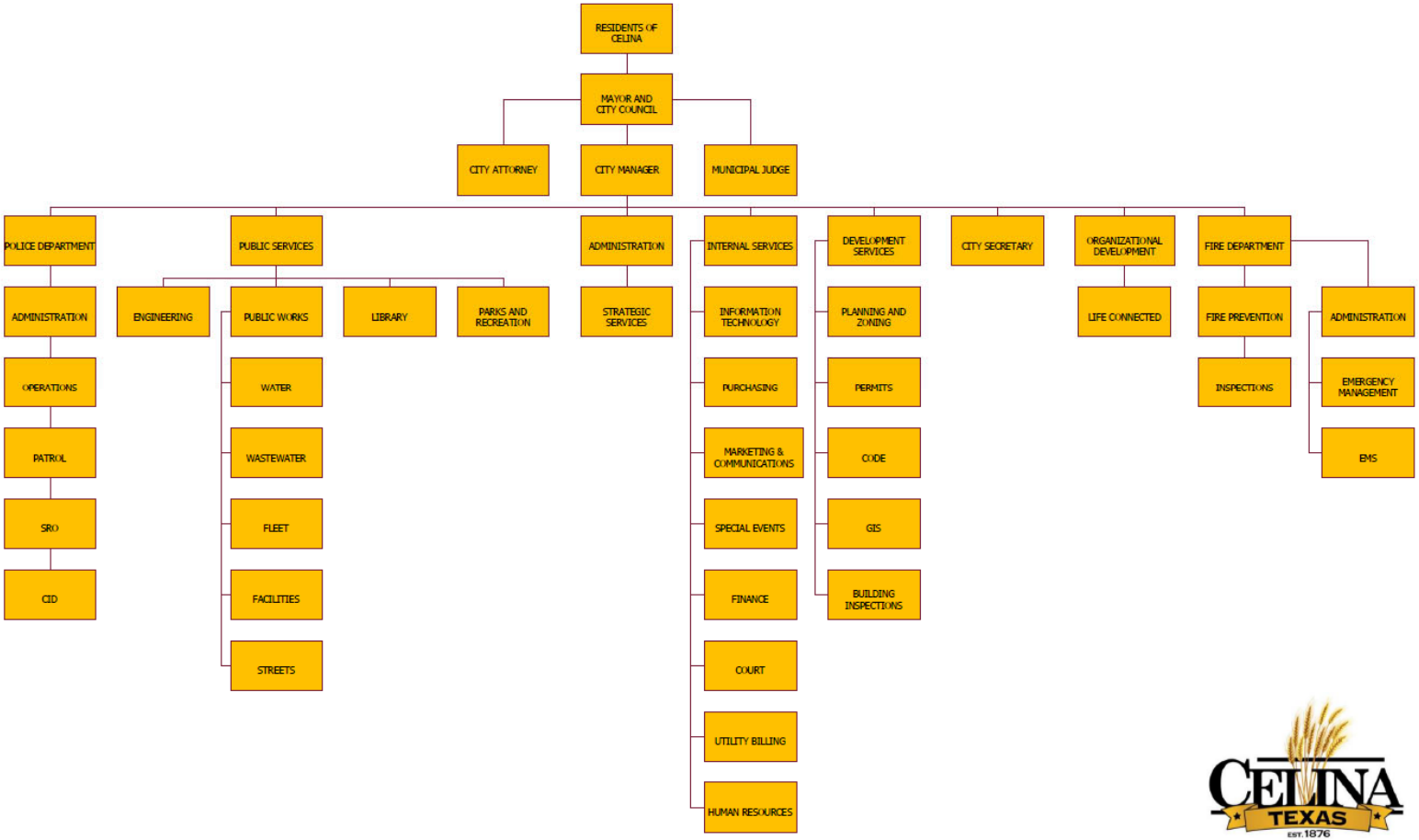
September 30, 2022

Christopher P. Morrill

Executive Director/CEO

City of Celina, Texas

Organizational Chart



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Financial Section

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Independent Auditor's Report

Members of the City Council
City of Celina, Texas
Celina, Texas

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Celina, Texas (City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information including the combining and individual fund financial statements and schedules as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections as listed in the table of contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

FORVIS, LLP

Dallas, Texas
February 28, 2024

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Management's Discussion and Analysis

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City of Celina, Texas
Management's Discussion and Analysis
September 30, 2023

Management's discussion and analysis provides a narrative overview of the financial activities and changes in the financial position of the City of Celina, Texas (City), for the fiscal year ended September 30, 2023. It is offered hereby the management of the City to the readers of its financial statements. Readers are encouraged to consider the information presented herein conjunction with the information furnished in our letter of transmittal in the introductory section and the City's financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

- The capital assets represent the City's investment in infrastructure, which increased this fiscal year by $223.04 million. Of this amount, governmental activities increased $105.25 million, bringing net capital assets to $291.39 million. The Business-type activities grew $117.78 million to a total net capital asset of $309.23 million.

- The City's total net position increased by $157.82 million during the fiscal year.

- The City's total amount of outstanding bonded debt is $355.13 million, an increase of $82.18 million due to the issuance of $91 million revenue certificates of obligation in 2023 partially offset by scheduled debt payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts; management's discussion and analysis (this section), basic financial statements, required supplementary information, and combining and individual fund statements and schedules.

The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are Government-Wide Financial Statements that provide information about both the short-term and long-term financial status of the City as a whole.

- The remaining statements are Fund Financial Statements that focus on individual parts of the City's government, reporting the City's operations in more detail than the Government-Wide statements.

    - The Governmental Fund Statements take a short-term view and demonstrate how general government services like public safety were financed during the fiscal year.

    - The Proprietary Fund Statements offer both short-term and long-term financial information about the activities the government operates like businesses, such as the water and wastewater system.

The financial statements also include notes that explain information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds, each added together and presented in single columns in the basic financial statements.

Government-Wide Financial Statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. Both are prepared using the economic resources focus and the accrual basis of accounting, meaning that all the current year's revenues and expenses are included regardless of when cash is received or paid.

Statement of Net Position. The Statement of Net Position presents information on the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources including capital assets and long-term obligations. The difference between the four is reported as net position. Over time, the increases or decreases in net position may serve as a valuable indicator of whether the City's financial position is improving or deteriorating. Other indicators of the City's financial position should be taken into consideration, such as the change in the City's property tax base and condition of the City's infrastructure (i.e., roads, drainage systems, water, and sewer lines, etc.), in order to more accurately assess the overall financial condition of the City.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. It focuses on both the gross and net costs of the government's various activities and thus summarizes the cost of providing specific government services. This statement includes all current year revenues and expenses.

The Statement of Net Position and the Statement of Activities divide the City's activities into two types:

- *Governmental Activities*. Most of the City's basic services are reported here, including general government, police and fire protection, municipal court, streets, park and recreational activities, cultural events, and library. Property taxes, sales taxes, franchise taxes, and building permits provide the majority of the revenue for these activities.

- *Business-Type Activities*. Activities for which the City charges customers a fee to pay most or all of the costs of a service it provides are reported here. The City's business-type activities include water distribution/ wastewater collection, solid waste collection/ disposal, and stormwater drainage.

Fund Financial Statements. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. These statements focus on the most significant funds and may be used to find more detailed information about the City's most significant activities. The funds of the City can be divided into two categories: governmental funds and proprietary funds.

- ***Governmental Funds.*** Governmental funds are used to account for the majority of the City's activities, which are essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

  The focus of the governmental funds' financial statements is narrower than that of the government-wide financial statements. Therefore, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds' Balance Sheet and the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison. These reconciliations explain the differences between the government's activities as reported in the government-wide statements and the information presented in the governmental funds' financial statements.

  The City reports fifteen individual governmental funds. Major funds are presented separately in the governmental funds' Balance Sheet and in the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balances and include the General Fund, the Debt Service Fund, the Street Construction Fund, Parkland Feeds Fund, and the Bond Fund. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

- ***Proprietary Funds.*** The City charges customers directly for certain services it provides. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. The City's enterprise funds (a fund type of proprietary funds) are identical to the business-type activities reported in the government-wide statements. Still, enterprise fund financial statements provide more detail and additional information, such as cash flows.

  The City of Celina maintains one individual enterprise fund. The City uses this fund to account for its water and sewer, storm drainage, and environmental services.

Notes to the Financial Statements. The notes provide additional information that is essential to gain a complete understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information (RSI) concerning the City's progress in funding its obligation to provide pension benefits and other post-employment benefits to the employees.

The combining and individual fund statements and schedules referred to earlier are presented immediately following the required supplementary information on pensions.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

At the end of the fiscal year 2023, the City's net position (assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources) totaled $469.19 million. Total assets of the City on September 30, 2023 were $915.64 million, deferred outflows of resources were $3.45 million, total liabilities were $447.05 million, and deferred inflows of resources were $2.85 million resulting in a net position balance of $469.19 million, a 50.7% increase over the previous year. This analysis focuses on the net position and changes in net position.

Net Position. The largest portion of the City's net position, $311.18 million, reflects its investment in capital assets (land and improvements, buildings, infrastructure, vehicles, machinery, and equipment), less any related outstanding debt used to acquire those assets. The City uses these assets to provide services to its residents; consequently, these assets are not available for future spending. Although the City reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted portion of the City's net position, $22.57 million are subject to external restrictions on how they may be used. The City's unrestricted net position is $135.44 million, which may be used to meet the City's future obligations.

Table 1
City of Celina Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022*	2023	2022	2023	2022*
Assets						
Current and other assets	$ 168,996,844	$142,508,774	$ 146,029,110	$ 122,204,835	$ 315,025,954	$ 264,713,609
Capital assets, net	291,389,325	186,132,330	309,228,152	191,449,111	600,617,477	377,581,441
Total assets	460,386,169	328,641,104	455,257,262	313,653,946	915,643,431	642,295,050
Deferred Outflows of Resources	2,972,156	848,378	475,830	124,162	3,447,986	972,540
Liabilities						
Other liabilities	29,369,772	12,940,953	26,059,102	30,285,283	55,428,874	43,226,236
Long-term obligations	207,746,088	151,708,211	183,870,384	133,315,169	391,616,472	285,023,380
Total liabilities	237,115,860	164,649,164	209,929,486	163,600,452	447,045,346	328,249,616
Deferred Inflows of Resources	2,828,351	3,531,845	30,149	117,332	2,858,500	3,649,177
Net Position						
Net investment in capital assets	145,178,585	102,946,241	165,996,622	89,549,445	311,175,207	192,495,686
Restricted	22,571,293	19,290,037	-	152,009	22,571,293	19,442,046
Unrestricted	55,664,236	39,072,195	79,776,835	60,358,870	135,441,071	99,431,065
Total net position	$ 223,414,114	$ 161,308,473	$ 245,773,457	$ 150,060,324	$ 469,187,571	$ 311,368,797

*Fiscal year 2022 amounts have been restated for GASB 96 adoption.

Changes in Net Position. The government's overall net position increased $157.82 million over the prior fiscal year. The reasons for the overall increase are discussed in the following sections for governmental activities and business-type activities.

Government activities increased the City's net position by $62.11 million from the prior year. This was due in part to an increase in ad valorem tax revenues, building permit revenues, and capital contributions. Key revenue and expense transactions are as follows:

- Net Investment in Capital Assets increased by $42.23 million. This represents the capital assets less the liabilities of infrastructure added to the City's governmental capital assets. In fiscal year 2023, the City received $38.48 million in capital contributions from developers.

- Unrestricted Net Position increased $16.6 million. The unrestricted balances include operating costs and funding for future capital projects. In addition, $22.57 million is restricted for capital projects and restricted fees to fund the projects.

- General government expenses increased approximately $16.9 million over last year. This was anticipated due to the demands on service from the additional housing developments and consequently more residents moving to the City. The City increased its personnel by over 18% during fiscal year 2023 to meet the needs of its residents. Administration, fire, police, and development services had the largest increases in 2023. Interest expense also increased as additional debt has been issued to keep up with growth.

Business-type activities increased net position by $95.71 million. Key elements to the change in net position are as follows:

- The City received $59.46 million in capital contributions from developers in the form of new water, drainage, and sewer lines. These contributions were significant reasons why net investment in capital assets increased by $76.45 million.

- The City collected $9.2 million in impact fees and capital recovery fees for future water and wastewater infrastructure updates.

- The City collected $6.72 million in connection fees for water and sewer tie-ins for new homes and businesses to the current system.

- Unrestricted Net Position increased $19.42 million. The unrestricted balances include operating costs and funding for future capital projects.

- The City earned $4.81 million in interest income related to Business type activities and bond proceeds.

Expenses increased by 35% due mainly to the $1.85 million increased materials and supplies cost, $1.32 million increased water demand costs, $1.11 million in more in depreciation expense, $638,544 increase in garbage collection cost, and $1.27 million in personnel cost. All of these increases in expenses are directly related to increased growth in customers through new houses and commercial properties.

Water sales increased by $1.87 million over the previous fiscal year. This increase was due to adding more than 2,000 new customers, an approximately 15% increase from the prior fiscal year. Water rates remained the same from fiscal year 2022 through fiscal year 2023.

Table 2
City of Celina
Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program Revenues						
Charges for services	$ 36,442,384	$32,332,998	$ 43,967,567	$ 43,119,619	$ 80,409,951	$ 75,452,617
Operating grants/contributions	862,378	2,347,930	420,000	-	1,282,378	2,347,930
Capital grants/contributions	38,619,344	10,081,541	73,156,255	22,459,804	111,775,599	32,541,345
General revenues:						
Ad valorem taxes	24,505,056	16,242,263	-	-	24,505,056	16,242,263
Sales taxes	4,039,188	3,213,081	-	-	4,039,188	3,213,081
Franchise taxes	1,003,967	783,188	-	-	1,003,967	783,188
Grants not restricted to specific programs			3,246,980	215,778		
Other	8,702,605	4,868,692	4,811,448	776,837	13,514,053	5,645,529
Total program revenues	114,174,922	69,869,693	125,602,250	66,572,038	239,777,172	136,441,731
Expenses						
Administration	13,886,440	6,478,575	-	-	13,886,440	6,478,575
Judicial	209,350	193,302	-	-	209,350	193,302
Fire and emergency services	8,455,931	6,620,651	-	-	8,455,931	6,620,651
Development services	10,758,050	8,535,165	-	-	10,758,050	8,535,165
Public works	2,714,742	2,097,180	-	-	2,714,742	2,097,180
Police department	7,388,351	5,178,526	-	-	7,388,351	5,178,526
Parks and recreation	3,043,497	1,883,123	-	-	3,043,497	1,883,123
Library	389,445	317,775	-	-	389,445	317,775
Downtown project	75,660	36,325	-	-	75,660	36,325
Interest and fiscal charges	4,973,647	3,634,414	-	-	4,973,647	3,634,414
Water, sewer and sanitation services	-	-	30,063,285	22,337,443	30,063,285	22,337,443
Total expenses	51,895,113	34,975,036	30,063,285	22,337,443	81,958,398	57,312,479
Excess before transfers	62,279,809	34,894,657	95,538,965	44,234,595	157,818,774	79,129,252
Transfers	(174,168)	748,705	174,168	(748,705)	-	-
Change in Net Position	62,105,641	35,643,362	95,713,133	43,485,890	157,818,774	79,129,252
Net Position, Beginning of Year	161,308,473	125,665,111	150,060,324	106,574,434	311,368,797	232,239,545
Net Position, End of Year	$ 223,414,114	$ 161,308,473	$ 245,773,457	$ 150,060,324	$ 469,187,571	$ 311,368,797

FINANCIAL ANALYSIS OF THE FUNDS

The focus of the City's funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information helps assess the City's financing requirements. In particular, the unassigned fund balance in the governmental funds may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

Governmental Funds. Governmental funds had an increase in fund balance of $14.19 million:

- **General Fund** – The General Fund is the primary operating fund of the City. The fund balance is $25.35 million, representing an increase of $1.89 million from the previous year. The General fund revenues had a healthy increase due to increased development and growth of the City. Permits and inspection fees had an increase of $4.36 million over the prior year. Property tax revenue also recognized an increase of $2.33 million and interest revenue brought in $1.26 million more than fiscal year 2022. This allowed the City to transfer excess earnings to the Street Construction Fund, Stabilization Fund, and other funds for capital improvement projects. The General Fund's overall expenditures increased 33% last year, approximately $8.49 million, from $26.0 million to $34.5 million. The increase was attributable to rising demands of service amongst the majority of the departments such as Public Works by 52%, Police by 32% and Fire by 31%.

- **Debt Fund** – The Debt Fund's fund balance increased $1.72 million due to the increase in property tax revenue in the current year. The ending fund balance is $3.69 million.

- **Street Construction Fund** – The Street Construction Fund's fund balance increased $814 thousand in the current fiscal year due to $1.7 million expended on capital assets offset by a transfer in of $2.50 million from the general fund.

- **Parkland Fee Fund** – The Parkland Fee Fund accounts for the financing and acquisition of major capital park projects. The City received this year $3.0 million in revenue from park fees. The City spent $2.77 million on capital assets and parks and recreation expenditures which resulted in ending fund balance of $7.56 million.

- **Bond Fund** – The Bond Fund's fund balance decreased $5.97 million primarily due to the City spending $65.2 million on capital assets during 2023. This decrease was offset by $58.5 million of bond proceeds that will be spent in future years on capital projects. The ending fund balance is $64.25 million.

Business-Type Activities:

- **Water Wastewater Fund** – The fund had a change in net position of $95.71 million, including operating income of $22.21 million, plus non-operating revenues of $3.84 million, plus capital contributions of $69.49 million, plus transfers in of $174,168. The net income includes the combination of ten separate utility operating funds. These are separated internally to allow for proper control and accountability to ensure the funds' disposition meets statutory requirements. For example, Impact fees and Capital Recovery Fees, both of which earned substantial revenues this year, are managed through separate funds but combined within the operating portion of this fund for financial statement purposes.

BUDGETARY HIGHLIGHTS

In the fiscal year 2022-2023, the General Fund expenditure budget was increased by $5.13 million over the 2021-2022 budget. During the fiscal year, budget amendments increased the original revenue budget by $1,308,067 and increased the expenditure budget by $3.09 million. Amendments were for grant awards, increase interest in City run sports leagues, insurance claims, and unanticipated expenditures during the year. During the fiscal year, the City regularly reviews the budget and determines if a budget amendment is reasonable and necessary. All budget amendments receive scrutiny and City Council approval through an amended ordinance.

In the General Fund, the actual revenue received in comparison to the final budget was over by $14.32 million. This positive variance is most noticeable in permit and inspection fees and interest revenue. General Fund expenditures had a final budget to actual variance of $2.93 million prior to other financing sources/uses. The savings between actual and amended expenditures is due to projects/capital items that were not able to be completed in FY 2023 have been included in the FY 2024 budget. During the last few years, many materials and supplies were delayed due to shipping and manufacturing issues.

The City used a portion of the excess General Fund balance to continue to fund $2.5 million to the Street Construction fund, $5 million to the Economic Stabilization fund, $2.7 million to the Capital Equipment Replacement fund, and $300,000 to Technology Fund. Additional information on the City's budgeted transfers in *Note 12* to the financial statements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The City's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to $583.32 million (net of accumulated depreciation), as shown in the table below. This investment in capital assets includes land, buildings, improvements, vehicles, machinery and equipment, infrastructure, and construction in progress. Additional information on the City's capital assets can be found in *Note 6* to the financial statements.

Some of the items completed during the fiscal year include:

- $465 thousand for Maryland Road drainage improvements
- $1.30 million for Glendenning Park land purchase
- $1.40 million for the reconstruction of Wells Road (CR84)
- $1.83 million for the construction of Light Farms Way from Punk Carter to Outer Loop
- $2.44 million for Utah and Cedar Road drainage improvements
- $4.88 million for the Coit Road water line phase one
- $5.74 million for Ousley Park land purchase
- $14.47 million for Old Celina Park improvements
- $97.94 million in infrastructure is related to developers' contribution

	Governmental Activities		Business-type Activities		Totals	
	2023	2022*	2023	2022	2023	2022*
Land	$ 52,132,690	$ 33,541,714	$ 7,980,894	$ 7,950,893	$ 60,113,584	$ 41,492,607
Buildings	16,926,403	17,668,636	10,395	11,489	16,936,798	17,680,125
Parks	23,807,942	9,289,393	-	-	23,807,942	9,289,393
Infrastructure	116,782,032	78,568,062	203,117,083	145,562,026	319,899,115	224,130,088
Vehicles, machinery and equipment	6,826,007	5,611,461	2,494,782	1,872,457	9,320,789	7,483,918
Right-to-use leased equipment	430,842	-	-	-	430,842	-
Subscription asset	104,976	131,220	-	-	104,976	131,220
Construction in progress	74,378,433	41,321,844	78,325,049	36,052,246	152,703,482	77,374,090
Total capital assets, net	$ 291,389,325	$186,132,330	$ 291,928,203	$191,449,111	$583,317,528	$ 377,581,441

*Fiscal year 2022 amounts have been restated for GASB 96 adoption.

Long-term Debt: At the end of the current fiscal year, the City of Celina had total bonded debt outstanding of $355.1 million, as shown. Of this amount, $345.99 million represents tax-supported bonds, and $9.14 million represents self-supported bonds. The $82.18 million increase in debt is for numerous upcoming projects such as public safety facilities, parks and recreation projects, a municipal administration and library building, a downtown community parking lot, and land purchases. This is in addition to annual streets, drainage, water, and sewer projects that are needed to maintain existing infrastructure and keep up with the projected growth explosion.

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
General obligation bonds	$ 9,140,000	$ 10,010,000	$ -	$ 380,000	$ 9,140,000	$ 10,390,000
Certificates of obligation	184,502,659	133,215,000	161,487,341	129,340	345,990,000	262,555,000
Total bonds payable	$193,642,659	$143,225,000	$161,487,341	$ 509,340	$355,130,000	$ 272,945,000

In fiscal year 2023, The City issued Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2023 in the amount of $91,060,000. $53.89 million was allocated to the general government for streets, parks, and public safety and $37.17 million was allocated to the water and sewer to finance the cost of improving the City's waterworks and sewer system.

Additional information on the City's long-term debt can be found in *Note 7* to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City of Celina expects to continue to see strong population and economic growth. The City's budget continues to grow as new residents and businesses are added. In the last 12 years, the City's population has grown from 6,028 in 2011 to 40,310 in 2023. For the fiscal year 2023-2024 budget, the City's goal has been to successfully provide the City Council with a collaborative budget that includes departmental participation to balance the budget collectively. The following revenues and expenditures were essential components to the budget:

Property Taxes. Looking forward to the fiscal year 2024, the City's certified taxable value after exemptions for tax year 2023 for both the Collin and Denton Central Appraisal Districts is $6,350,614,713 (as of July 2023). This is 42.0% or $1.88 billion more than the prior year, of which $847 million is attributable to new taxable values added to the tax roll.

Building Permits. Besides property taxes, a major source of revenue for the City originates from licenses and permits. These revenues are generated for services rendered and user fees charged for building permits, construction inspection fees, fire/EMS and police fees, and other related services. The largest source of revenue in this category is building permits and inspection fees, as the City continues to develop and grow at a fast pace. For FY 2024, the budget has been increased to $12.50 million. The City conservatively budgets building permits due to the potential impact of economic cycles on this revenue source. The City also maintains a Stabilization Fund to protect the City from sudden economic changes that could reduce revenue from building permits in the middle of a fiscal year.

Staffing. The City's population has increased by 137% over the last five years, averaging 24% growth per year. As a result, the FY 2023-2024 budget authorized 35.5 new full-time equivalent positions at a cost of $2.837 million to assist departments in keeping up with service level demands. Of these new positions, 15.5 were for Police and Fire.

Capital Projects. The following is a list of some of the significant projects that the Engineering Department has slated to start or continue construction in the upcoming fiscal year:

- Police Headquarters construction
- Fire Station No. 3 construction
- Legacy Hills Water Reclamation Plant
- Southeast Pump Station & Transmission Line
- Earthman Park land purchase
- Preston Road Lighting Phase 3

- Wilson Creek Park Phase 1
- Punk Carter water line oversizing
- Downtown Sewer Upgrades

Fund Balance and Reserve. By ordinance, the City is required to maintain 25% of annual operating expenses, equal to a 90 days reserve, as a balance in the governmental fund account. Revenues from property taxes to pay for services are typically delayed due to the timing of new growth showing up on the tax rolls resulting in cost for new growth to be paid immediately, while the revenues follow a year later.

The City's proprietary fund, Water Wastewater Fund, practices a reserve of 40%, or 146 days, of working capital. The primary source of revenue is generated by water sales dependent on rate and consumption by customers, while cost is at a 'pay as you go.' This sole source revenue creates the need for a higher fund balance reserve. The reserve is designed to smooth out the low seasonal sales common in the winter months and even the occasional Texas 'wet' summers in an effort to keep rate increases at a minimum.

The 40% reserve is applicable to actual operating expenditures and excludes funds received that are dedicated to capital projects or have restrictions. For both funds, the City monitors the fund balances as a good fund balance is attractive to rating agencies in evaluating a city's financial health.

Contacting the City's Financial Management:

This financial report is designed to provide our residents, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. Questions concerning this report or need for additional information, including financial information for the City's two component units, should be addressed to Robin Bromiley, Director of Finance, by phone at (972) 382-2682 or by e-mail at rbromiley@celina-tx.gov.

Basic Financial Statements

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Government-wide Financial Statements

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City of Celina, Texas
Statement of Net Position
September 30, 2023

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Economic Development Corporation	Community Development Corporation
Assets					
Cash and cash equivalents	$ 163,593,419	$ 71,764,463	$ 235,357,882	$ 3,181,604	$ 3,975,115
Property taxes receivable, net	405,649	-	405,649	-	-
Sales tax receivable	750,570	-	750,570	375,285	375,285
Accounts receivable, net	225,271	3,445,932	3,671,203	-	-
Other receivables	904,577	3,000	907,577	-	-
Lease receivable	2,827,770	-	2,827,770	-	-
Inventory	60,627	833,367	893,994	-	-
Prepaid items	228,961	6,764	235,725	-	-
Restricted assets					
Cash and cash equivalents	-	69,975,584	69,975,584	-	-
Capital assets					
Land	52,132,690	7,980,894	60,113,584	-	-
Water rights	-	17,299,949	17,299,949	-	-
Construction in progress	74,378,433	78,325,049	152,703,482	-	-
Capital assets, net	164,878,202	205,622,260	370,500,462	-	-
Total assets	460,386,169	455,257,262	915,643,431	3,556,889	4,350,400
Deferred Outflows of Resources					
Deferred loss on refunding	66,347	-	66,347	-	-
Deferred pension outflows	2,839,394	462,227	3,301,621	-	-
Deferred OPEB outflows	66,415	13,603	80,018	-	-
Total deferred outflows of resources	2,972,156	475,830	3,447,986	-	-
Liabilities					
Accounts payable	16,463,980	1,134,779	17,598,759	34,271	-
Accrued salaries and benefits	586,903	64,845	651,748	7,808	-
Accrued interest	657,369	628,687	1,286,056	-	-
Accrued expenses	-	2,316,731	2,316,731	-	-
Unearned revenue	194,988	583,886	778,874	-	-
Meter deposits payable	-	2,421,132	2,421,132	-	-
PID Assessments	-	250,968	250,968	-	-
Escrow deposits	3,470,717	594,578	4,065,295	-	-
Payable from restricted assets					
Accounts payable for capital projects	-	9,888,140	9,888,140	-	-
Long-term liabilities					
Due within one year					
Compensated absences	366,171	19,961	386,132	-	-
Bonds payable	7,507,630	7,155,395	14,663,025	-	-
Note payable	-	1,000,000	1,000,000	-	-
Lease liability	98,109	-	98,109	-	-
Subscription liability	23,905	-	23,905	-	-
Due in more than one year					
Total OPEB liability	131,645	26,964	158,609	-	-
Net pension liability	4,431,584	721,422	5,153,006	-	-
Arbitrage liability	316,200	208,890	525,090	-	-
Compensated absences	1,098,510	58,801	1,157,311	-	-
Note payable	-	17,000,000	17,000,000	-	-
Bonds payable	201,366,844	165,854,307	367,221,151	-	-
Lease liability	322,683	-	322,683	-	-
Subscription liability	78,622	-	78,622	-	-
Total liabilities	237,115,860	209,929,486	447,045,346	42,079	-
Deferred Inflows of Resources					
Lease related	2,675,353	-	2,675,353	-	-
Deferred pension inflows	28,261	4,601	32,862	-	-
Deferred OPEB inflows	124,737	25,548	150,285	-	-
Total deferred inflows of resources	2,828,351	30,149	2,858,500	-	-
Net Position					
Net investment in capital assets	145,178,585	165,996,622	311,175,207	-	-
Restricted for debt service	3,689,413	-	3,689,413	-	-
Restricted for capital projects	17,109,794	-	17,109,794	-	-
Restricted for law enforcement	103,816	-	103,816	-	-
Restricted for courts	164,882	-	164,882	-	-
Restricted for PEG	88,660	-	88,660	-	-
Restricted for hotel	36,045	-	36,045	-	-
Restricted for technology	1,378,683	-	1,378,683	-	-
Restricted for economic development	-	-	-	3,514,810	4,350,400
Unrestricted	55,664,236	79,776,835	135,441,071	-	-
Total net position	$ 223,414,114	$245,773,457	$ 469,187,571	$ 3,514,810	$ 4,350,400

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Activities
Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental Activities				
Administration	$ 13,886,440	$ -	$ -	$ -
Judicial	209,350	-	-	-
Fire and emergency services	8,455,931	2,466,362	782,057	-
Development services	10,758,050	7,817,279	-	-
Public works	2,714,742	21,831,320	-	-
Police department	7,388,351	325,504	80,321	-
Parks and recreation	3,043,497	4,001,919	-	-
Library	389,445	-	-	-
Infrastructure	-	-	-	38,619,344
Downtown project	75,660	-	-	-
Interest and fiscal charges	4,973,647	-	-	-
Total governmental activities	51,895,113	36,442,384	862,378	38,619,344
Business-type Activities				
Water and sewer services	30,063,285	43,967,567	420,000	73,156,255
Total Business-type Activities	30,063,285	43,967,567	420,000	73,156,255
Total Primary Government	$ 81,958,398	$ 80,409,951	$ 1,282,378	$111,775,599
Component Units				
Celina Economic Development Corp	$ 1,015,082	$ -	$ -	$ -
Celina Community Development Corp	69,761	-	-	-
Total component units	$ 1,084,843	$ -	$ -	$ -
General Revenues				
Ad valorem tax				
Sales tax				
Franchise tax				
Miscellaneous				
Unrestricted investment earnings				
Grants not restricted to specific programs				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position, Beginning of Year				
Net Position, End of Year				

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Activities
Year Ended September 30, 2023 (Continued)

Net (Expense) Revenue and Changes in Net Position			Component Units	
Governmental Activities	Business-type Activities	Total	Economic Development Corporation	Community Development Corporation
$(13,886,440)	$ -	$(13,886,440)	$ -	$ -
(209,350)	-	(209,350)	-	-
(5,207,512)	-	(5,207,512)	-	-
(2,940,771)	-	(2,940,771)	-	-
19,116,578	-	19,116,578	-	-
(6,982,526)	-	(6,982,526)	-	-
958,422	-	958,422	-	-
(389,445)	-	(389,445)	-	-
38,619,344	-	38,619,344	-	-
(75,660)	-	(75,660)	-	-
(4,973,647)	-	(4,973,647)	-	-
24,028,993	-	24,028,993	-	
-	87,480,537	87,480,537	-	
-	87,480,537	87,480,537	-	
$ 24,028,993	$ 87,480,537	$111,509,530	$ -	
$ -	$ -	$ -	$ (1,015,082)	$ -
-	-	-	-	(69,761)
$ -	$ -	$ -	$ (1,015,082)	$ (69,761)
$ 24,505,056	$ -	$ 24,505,056	$ -	$ -
4,039,188	-	4,039,188	1,972,568	1,972,568
1,003,967	-	1,003,967	-	-
2,619,358	-	2,619,358	15,582	-
6,083,247	4,811,448	10,894,695	54,740	114,755
-	3,246,980	3,246,980	-	-
(174,168)	174,168	-	-	-
38,076,648	8,232,596	46,309,244	2,042,890	2,087,323
62,105,641	95,713,133	157,818,774	1,027,808	2,017,562
161,308,473	150,060,324	311,368,797	2,487,002	2,332,838
$223,414,114	$245,773,457	$469,187,571	$ 3,514,810	$ 4,350,400

City of Celina, Texas
Balance Sheet – Governmental Funds
September 30, 2023

	General Fund	Debt Service Fund	Street Construction Fund	Parkland Fees Fund	Bond Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 32,409,087	$ 3,662,808	$ 3,556,254	$ 7,812,745	$ 72,547,075	$ 43,605,450	$ 163,593,419
Sales taxes receivable	750,570	-	-	-	-	-	750,570
Property taxes receivable, net	269,536	136,113	-	-	-	-	405,649
EMS receivable, net	225,271	-	-	-	-	-	225,271
Other receivables, net	845,264	-	-	-	-	59,313	904,577
Lease receivable	-	-	-	-	-	2,827,770	2,827,770
Inventory	60,627	-	-	-	-	-	60,627
Prepaid items	194,012	-	-	-	-	34,949	228,961
Total assets	$ 34,754,367	$ 3,798,921	$ 3,556,254	$ 7,812,745	$ 72,547,075	$ 46,527,482	$ 168,996,844
Liabilities							
Accounts payable	$ 5,549,030	$ -	$ 883,987	$ 252,536	$ 6,120,624	$ 1,488,581	$ 14,294,758
Retainage payable	-	-	-	-	2,169,222	-	2,169,222
Accrued salaries and benefits	586,903	-	-	-	-	-	586,903
Escrowed funds	2,670,717	-	-	-	-	800,000	3,470,717
Unearned revenue	194,988	-	-	-	-	-	194,988
Total liabilities	9,001,638	-	883,987	252,536	8,289,846	2,288,581	20,716,588
Deferred Inflows of Resources							
Lease related	-	-	-	-	-	2,675,353	2,675,353
Unavailable revenue	396,084	109,508	-	-	-	18,736	524,328
Total deferred inflows of resources	396,084	109,508	-	-	-	2,694,089	3,199,681
Fund Balances							
Nonspendable							
Prepaids and inventory	254,639	-	-	-	-	34,949	289,588
Restricted							
Capital projects	-	-	2,672,267	-	64,257,229	22,727,373	89,656,869
Debt service	-	3,689,413	-	-	-	-	3,689,413
Law enforcement	-	-	-	-	-	103,816	103,816
Courts	-	-	-	-	-	164,882	164,882
PEG	-	-	-	-	-	88,660	88,660
Hotel	-	-	-	-	-	36,045	36,045
Technology	-	-	-	-	-	1,378,683	1,378,683
Assigned for use in specific funds	-	-	-	7,560,209	-	17,010,404	24,570,613
Unassigned	25,102,006	-	-	-	-	-	25,102,006
Total fund balances	25,356,645	3,689,413	2,672,267	7,560,209	64,257,229	41,544,812	145,080,575
Total liabilities, deferred inflows of resources, and fund balances	$ 34,754,367	$ 3,798,921	$ 3,556,254	$ 7,812,745	$ 72,547,075	$ 46,527,482	$ 168,996,844

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Reconciliation of the Governmental Fund Balance Sheet
To the Statement of Net Position
September 30, 2023

Fund balances of governmental funds	$ 145,080,575
Amounts presented for governmental activities in the statement of net position are different because:	
Capital assets reported in the statement of net position are not financial resources and are not reported in the fund balance sheet.	291,389,325
Receivables not measurable and available within 60 days of year-end, and therefore are unavailable in the fund financial statements.	524,328
Net pension liability ($4,431,584), the related deferred outflows of resources $2,839,394, and the related deferred inflows of resources ($28,261) are not available to pay current-period expenditures and therefore are not recorded in the funds.	(1,620,451)
Total OPEB liability ($131,645), the related deferred outflows of resources $66,415, and the related deferred inflows of resources ($124,737) are not due and payable in the current period and therefore are not recorded in the funds.	(189,967)
Interest due on long-term debt is recorded as accrued interest payable in the statement of net position but does not become a liability on the fund statements until the date due.	(657,369)
Arbitrage due in connection with unspent bond proceeds is recorded as arbitrage liability in the statement of net position but does not become a liability on the fund statements until the date due.	(316,200)
Long-term liabilities, including related deferred loss on refundings, are reported in the statement of net position but they are not due and payable or consume net position in the current period and; therefore, are not reported in the fund balance sheet.	(210,796,127)
Net position of governmental activities	$ 223,414,114

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended September 30, 2023

	General Fund	Debt Service Fund	Street Construction Fund	Parkland Fees Fund	Bond Fund	Other Governmental Funds	Total Governmental Funds
Revenues							
Ad valorem taxes	$ 12,108,228	$ 11,869,394	$ -	$ -	$ -	$ 384,127	$ 24,361,749
Franchise fees	1,003,967	-	-	-	-	-	1,003,967
Sales tax	3,897,162	-	-	-	-	142,026	4,039,188
Permits and inspection fees	21,831,320	-	-	-	-	-	21,831,320
Development fees	448,342	-	-	-	-	-	448,342
Developer contributions	136,371	-	-	-	-	-	136,371
Fire department, EMS, and police revenues	2,466,362	-	-	-	-	-	2,466,362
Fines	229,575	-	-	-	-	-	229,575
Special events and donations	440,417	-	-	-	-	114,809	555,226
Park fees	417,191	-	-	3,029,502	-	-	3,446,693
Impact and capital recovery fees	-	-	-	-	-	7,368,937	7,368,937
Other income	955,902	-	-	-	-	1,752,181	2,708,083
Interest	1,503,060	333,767	58,518	280,282	2,708,968	1,198,652	6,083,247
Federal, state, and local grants	784,166	-	-	-	-	78,212	862,378
Total revenues	46,222,063	12,203,161	58,518	3,309,784	2,708,968	11,038,944	75,541,438
Expenditures							
Current							
Administration	8,343,876	-	236,377	-	1,498,754	603,215	10,682,222
Judicial	209,350	-	-	-	-	-	209,350
Fire and emergency services	7,457,252	-	-	-	-	-	7,457,252
Development services	5,617,789	-	-	-	-	1,706,569	7,324,358
Public works	2,672,084	-		-	-	-	2,672,084
Police department	6,695,153	-	-	-	-	112,932	6,808,085
Parks and recreation	1,820,994	-	-	772,838	-	-	2,593,832
Library	366,094	-	-	-	-	-	366,094
Downtown project	-	-	-	-	-	75,660	75,660
Capital Outlay	1,097,902	-	1,507,922	1,997,133	65,192,604	2,944,468	72,740,029
Debt Service:							
Principal	146,453	3,475,000	-	-	-	-	3,621,453
Interest and fiscal charges	24,439	5,152,631	-	-	-	-	5,177,070
Bond issuance cost	-	-	-	-	491,915	-	491,915
Total expenditures	34,451,386	8,627,631	1,744,299	2,769,971	67,183,273	5,442,844	120,219,404
Excess (deficiency) of revenues over (under) expenditures	11,770,677	3,575,530	(1,685,781)	539,813	(64,474,305)	5,596,100	(44,677,966)
Other Financing Sources (Uses)							
Issuance of bonds	-	-	-	-	53,892,659	-	53,892,659
Bond premium	-	-	-	-	4,611,356	-	4,611,356
Issuance of leases	538,552	-	-	-	-	-	538,552
Transfers in	930,999	-	2,500,000	185,434	-	9,595,915	13,212,348
Transfers out	(11,345,914)	(1,855,000)	-	-	-	(185,602)	(13,386,516)
Total other financing sources (uses)	(9,876,363)	(1,855,000)	2,500,000	185,434	58,504,015	9,410,313	58,868,399
Net Change in Fund Balances	1,894,314	1,720,530	814,219	725,247	(5,970,290)	15,006,413	14,190,433
Fund Balances, Beginning of Year	23,462,331	1,968,883	1,858,048	6,834,962	70,227,519	26,538,399	130,890,142
Fund Balances, End of Year	$ 25,356,645	$ 3,689,413	$ 2,672,267	$ 7,560,209	$ 64,257,229	$ 41,544,812	$ 145,080,575

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended September 30, 2023

Net change in fund balances – total governmental funds		$ 14,190,433
Amounts reported for governmental activities in the statement of net position are different because:		
Governmental funds report capital outlays (including capital, leases and subscriptions) as expenditures, while in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlay of $72,678,998 exceeded depreciation and amortization expense of ($5,816,251).		66,862,747
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.		
Donation of capital assets	38,482,973	
Loss on disposal of assets	(88,725)	38,394,248
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt, leases and subscriptions increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Bonds issued	(53,892,659)	
Premium received	(4,611,356)	
Issuance of lease	(538,552)	
Principal paid on bonds	3,475,000	
Principal paid on leases and subscriptions	146,453	
Amortization of bond premiums	1,279,126	
Amortization of deferred amounts of refunding	(22,116)	(54,164,104)
Changes in the liabilities for compensated absences (do)/do not require the use of current resources and therefore are/(are not) recorded in the funds.		(270,361)
Changes in long term amounts for net pension liability the related deferred outflows of resources, and the related deferred inflows of resources are/(are not) recorded in the funds.		(2,562,438)
Changes in long term amounts for OPEB liability, the related deferred outflows of resources, and the related deferred inflows of resources are/(are not) recorded in the funds.		(22,448)
Interest accrued on bonds payable in governmental activities are not due and payable and therefore are not reported as expenditures in the governmental funds. This is the net change in accrued interest payable.		(245,472)
Arbitrage due in connection with unspent bond proceeds in governmental activities is not due and payable and therefore is not reported as expenditures in the governmental funds. This is the net change in arbitrage liability.		(316,200)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This includes the change in deferred inflows from ad valorem taxes receivable, fines receivable and EMS receivable.		239,236
Change in net position – governmental activities		$ 62,105,641

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – General Fund
Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Ad valorem taxes	$11,274,083	$11,274,083	$ 12,108,228	$ 834,145
Franchise fees	790,000	790,000	1,003,967	213,967
Sales tax	3,250,000	3,250,000	3,897,162	647,162
Permits and inspection fees	10,950,000	10,950,000	21,831,320	10,881,320
Component unit contributions	200,000	200,000	-	
Development fees	200,000	200,000	448,342	248,342
Developer contributions	250,000	250,000	136,371	(113,629)
Fire department, EMS, and police revenues	2,244,340	2,244,340	2,466,362	222,022
Fines	171,500	171,500	229,575	58,075
Special events and donations	244,000	244,000	440,417	196,417
Park fees	321,500	385,660	417,191	31,531
Other income	503,700	528,710	955,902	427,192
Interest	195,000	195,000	1,503,060	1,308,060
Federal, state, and local grants	-	1,218,897	784,166	(434,731)
Total revenues	30,594,123	31,902,190	46,222,063	14,519,873
Expenditures				
Current				
Administration	8,487,272	8,818,664	8,343,876	474,788
Judicial	228,778	220,453	209,350	11,103
Fire and emergency services	6,900,617	8,409,651	7,457,252	952,399
Development services	6,044,308	6,125,235	5,617,789	507,446
Public works	2,530,509	2,834,338	2,672,084	162,254
Police department	7,287,738	8,063,615	6,695,153	1,368,462
Parks and recreation	2,019,727	2,118,388	1,820,994	297,394
Library	447,337	445,337	366,094	79,243
Capital Outlay	-	-	1,097,902	(1,097,902)
Debt Service:				
Principal	-	-	146,453	146,453
Interest and fiscal charges	-	-	24,439	24,439
Total expenditures	33,946,286	37,035,681	34,451,386	2,926,079
Excess (deficiency) of revenues over (under) expenditures	(3,352,163)	(5,133,491)	11,770,677	17,445,952
Other Financing Sources (Uses)				
Issuance of leases	-	-	538,552	538,552
Transfers in	1,030,831	1,030,831	930,999	(99,832)
Transfers out	(845,914)	(11,345,914)	(11,345,914)	-
Total other financing sources (uses)	184,917	(10,315,083)	(9,876,363)	438,720
Net Change in Fund Balances	(3,167,246)	(15,448,574)	1,894,314	17,342,888
Fund Balances, Beginning of Year	23,462,331	23,462,331	23,462,331	-
Fund Balances, End of Year	$ 20,295,085	$ 8,013,757	$ 25,356,645	$ 17,342,888

The accompanying notes are an integral part of these financial statements.

Proprietary Fund Financial Statements

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City of Celina, Texas
Statement of Net Position – Proprietary Fund
September 30, 2023

	Water and Sewer Fund
Assets	
Current assets	
Cash and cash equivalents	$ 71,764,463
Cash and cash equivalents – restricted	12,309,272
Prepaids	6,764
Inventory	833,367
Accounts receivable, net	3,445,932
Grants receivable	3,000
Total current assets	88,362,798
Noncurrent assets	
Cash and cash equivalents – restricted for capital projects	57,666,312
Capital assets	
Land	7,980,894
Water rights	17,299,949
Depreciable capital assets, net	205,622,260
Construction in progress	78,325,049
Capital assets, net	309,228,152
Total noncurrent assets	366,894,464
Total assets	455,257,262
Deferred Outflows of Resources	
Deferred pension outflows	462,227
Deferred OPEB outflows	13,603
Total deferred outflows of resources	475,830
Liabilities	
Current liabilities:	
Accounts payable	1,134,779
Accounts payable for capital projects	9,888,140
Accrued salaries and benefits	64,845
Accrued expenses	2,316,731
Arbitrage liability	208,890
Bonds payable – current	7,155,395
Note payable - current	1,000,000
Compensated absences – current	19,961
Accrued interest payable	628,687
Meter deposits payable	2,421,132
PID Assessments	250,968
Escrow deposits	594,578
Unearned revenue	583,886
Total current liabilities	26,267,992
Noncurrent Liabilities	
Compensated absences – long-term	58,801
Net pension liability	721,422
Total OPEB liability	26,964
Note payable	17,000,000
Bonds payable – long-term	165,854,307
Total noncurrent liabilities	183,661,494
Total liabilities	209,929,486
Deferred Inflows of Resources	
Deferred pension inflows	4,601
Deferred OPEB inflows	25,548
Total deferred inflows of resources	30,149
Net Position	
Net investment in capital assets	165,996,622
Unrestricted	79,776,835
Total net position	$ 245,773,457

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Fund
Year Ended September 30, 2023

	Water and Sewer Fund
Operating Revenues	
Water sales	$ 16,217,006
Sewer sales	9,359,162
Bond issuance costs	1,080,350
Garbage fees	3,143,396
Penalties	168,487
Tap and reconnect fees	6,715,089
Impact fees	3,804,193
Capital recovery fees	5,404,500
Other revenues	1,742,364
Total operating revenues	47,634,547
Operating Expenses	
Salaries and benefits	3,426,177
Garbage fees	2,636,581
Materials and supplies	2,164,800
Postage	105,529
Repairs and facility maintenance	322,861
General insurance	84,006
Utilities and telephone	503,463
Water purchases and related fees	7,743,810
UTRWD facilities charges	1,702,085
Developer incentives	79,367
Depreciation	5,810,791
Other expense	846,250
Total operating expenses	25,425,720
Operating Income	22,208,827
Nonoperating Revenues (Expenses)	
Intergovernmental	3,666,980
Interest income	4,811,448
Loss on disposal of property	(71,042)
Bond issuance costs	(339,927)
Interest and fiscal charges	(4,226,596)
Total nonoperating revenues (expenses)	3,840,863
Income before contributions and transfers	26,049,690
Capital contributions	69,489,275
Transfers in (out)	174,168
Change in Net Position	95,713,133
Net Position, Beginning of Year	150,060,324
Net Position, End of Year	$245,773,457

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Cash Flows – Proprietary Fund
Year Ended September 30, 2023

	Water and Sewer Fund
Cash Flows from Operating Activities	
Cash received from customers and users	$ 47,697,935
Cash paid to suppliers	(18,068,452)
Cash paid to employees	(2,984,620)
Receipt of customer deposits	467,577
Net cash provided by operating activities	27,112,440
Cash Flows from Noncapital Financing Activities	
Transfers from other funds	174,168
Net cash provided by noncapital financing activities	174,168
Cash Flows from Capital and Related Financing Activities	
Acquisition of capital assets	(40,262,800)
Proceeds from issuance of bonds	40,347,585
Developer contribution	2,057,257
Principal payments on bonds	(5,400,000)
Bond issuance cost	(339,927)
Interest paid on bonds and other long-term obligations	(5,042,941)
Federal grants received	1,166,999
Net cash used in capital and related financing activities	(7,473,827)
Cash Flows from Investing Activities	
Investment income	4,811,448
Net cash provided by investing activities	4,811,448
Net Increase in Cash and Cash Equivalents	24,624,229
Cash and Cash Equivalents, Beginning of Year	117,115,818
Cash and Cash Equivalents, End of Year	$ 141,740,047

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Cash Flows – Proprietary Fund (Continued)
Year Ended September 30, 2023

	Water and Sewer Fund
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position	
Cash and cash equivalents	$ 71,764,463
Restricted cash and cash equivalents	
Current	12,309,272
Noncurrent	57,666,312
Total cash and cash equivalents	$ 141,740,047
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	$ 22,208,827
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation	5,810,791
(Increases) decreases in assets and deferred outflows	
Accounts receivable (net)	63,388
Prepaid expenses	(4,972)
Inventory	(157,471)
Deferred pension outflows	(348,380)
Deferred OPEB outflows	(3,288)
Increases (decreases) in liabilities and deferred inflows:	
Accounts payable	(4,417,556)
Accrued expenses	2,433,280
Net pension liability	873,431
Total OPEB liability	(8,335)
Compensated absences	(11,634)
Meter deposits payable	467,577
PID Assessments	71,199
Escrow deposits	222,766
Deferred pension inflows	(107,911)
Deferred OPEB inflows	20,728
Total adjustments	4,903,613
Net Cash Provided by Operating Activities	$ 27,112,440
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities	
Contributions of capital assets	$ 57,403,830
Additions to capital assets included in accounts payable	$ 9,888,140
Long-term debt incurred for the acquisition of water rights	$ 17,299,949

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

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City of Celina, Texas
Notes to Financial Statements
September 30, 2023

Note 1: Introduction and Summary of Significant Accounting Policies

The financial statements of the City of Celina, Texas (City) and its component units, Celina Economic Development Corporation and Celina Community Development Corporation, collectively identified as the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accounting and reporting framework and the more significant accounting principles and practices of the City are discussed in subsequent sections of this note. The remaining notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ending September 30, 2023.

Reporting Entity and Related Organizations

The City is a municipal corporation governed by an elected mayor and six-member City Council. The City provides general administration, public works, police and judicial, and fire and emergency services to its residents. The Council hires a City Manager for day-to-day operations.

The City Council has the authority to make decisions, appoint administrators and managers, significantly influence operations, and has the primary accountability for fiscal matters. The City is not included in any other governmental "reporting entity" as defined by Governmental Accounting and Financial Reporting Standards.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GASB Statements No. 14 and 39 as amended by GASB Statement 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34.* These statements define the reporting entity as the primary government and those component units for which the primary government is financially accountable. In addition, component units may be included in the reporting entity based on the nature and significance of the relationship with the primary government or based on being closely related or financially integrated with the primary government. Based on these criteria, the City has the following component units at September 30, 2023:

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Discretely Presented Component Units

Celina Economic Development Corporation (CEDC) - CEDC serves all residents of the government and is governed by a board appointed by the City Council. The City Council may remove the CEDC board for cause. The City has the ability to impose its will on CEDC and the potential for financial benefit or burden from CEDC's operations. CEDC is a nonprofit corporation governed by Section 4A of the *Texas Development Corporation Act of 1979* and organized for the public purpose of aiding, promoting, and furthering economic development within the City of Celina, Texas.

Celina Community Development Corporation (CCDC) - CCDC serves all residents of the government and is governed by a board appointed by the City Council. The City Council may remove the CCDC board for cause. The City has the ability to impose its will on CCDC and the potential for financial benefit or burden from CCDC's operations. CCDC is a nonprofit corporation governed by Section 4B of the *Texas Development Corporation Act of 1979* and organized for the public purpose of the promotion and development of industrial and manufacturing enterprises to promote and encourage employment and the public welfare of the City of Celina, Texas.

Neither CEDC nor CCDC prepare separate financial statements.

Government-Wide and Fund Financial Statements

Government-wide financial statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

Fund financial statements are provided for governmental and proprietary funds. Major individual governmental funds and proprietary funds are reported in separate columns with composite columns for nonmajor funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The government-wide statements, including the discretely presented component units, are prepared using the *economic resources measurement focus* and the *accrual basis of accounting* generally including the reclassification or elimination of internal activity (between or within funds). Proprietary fund financial statements report using this same measurement focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when granter eligibility requirements are met.

Governmental fund financial statements and the fund level statements of the discretely presented component units are prepared using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond, lease principal, pension and other postemployment benefit obligations, compensated absences, and interest which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include sales and use taxes, property taxes, franchise taxes, grant revenues, and investment income. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for the proprietary fund are charges to customers for water and sewer sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as *non-operating* in the financial statements.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Fund Types and Major Funds

Governmental Funds

The City reports the following major governmental funds:

General Fund – reports as the primary operating fund of the City. This fund is used to account for all financial resources not reported in other funds.

Debt Service Fund – accounts for the accumulation of financial resources for the payment of principal and interest on the City's general obligation debt. The City annually levies ad valorem taxes restricted for the retirement of general obligation bonds, leases, and interest. This fund reports all such ad valorem taxes collected. This fund is designated as major.

Street Construction Fund – accounts for the financing and acquisition of major capital street projects. Fund resources are provided primarily through bond sales and interest earnings. This fund is designated as major.

Parkland Fees Fund – accounts for the financing and acquisition of major capital park projects. Fund resources are provided primarily through developer park contributions and grants. This fund is designated as major.

Bond Fund – accounts for the acquisition or construction of streets and other capital projects being financed through bond proceeds, or transfers from other funds.

Additionally, the City maintains the following nonmajor governmental funds:

Roadway Impact Fees Fund – accounts for the receipt and expenditure of roadway fees paid to the City.

Capital Equipment Replacement Fund - accounts for the financing and acquisition of capital public safety projects. Fund resources are provided primarily through fire and police fees.

Capital Acquisition Fund- accounts for the financing and acquisition of capital projects. Fund resources are provided primarily through bond sales and interest earnings.

Capital Projects Fund –accounts for the financing and acquisition of capital improvements. Fund resources are provided primarily through interlocal agreements, developers agreements and escrowed funds.

Roadway Capital Recovery Fees Fund – accounts for the receipt and expenditure of road capital recovery fees paid to the City.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Technology Fund – accounts for the receipt and expenditure of technology funds. Fund resources are provided primarily through technology fees.

Stabilization Fund – established to help the City maintain resiliency by ensuring adequate balance to cash flow requirements during economic turbulence.

Developer Capital Fees Fund – to account for Developer Fees paid to build capital projects per the agreements.

Court Special Revenue Fund – to account for the receipt and expenditure of court security and technology funds. Fund resources are provided primarily through contributions, donations, and court security fees.

Other Special Revenue Funds – to account for various grants, PEG fees, Law Enforcement, and Contributions/Donations to the City.

Proprietary Funds – The City reports the following major Proprietary fund:

Water and Sewer Fund – accounts for the operating activities of the City's water and sewer utilities services.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position Cash and Cash Equivalents

The City maintains cash and investment pools which are shared by the various governmental funds. In addition, non-pooled cash and investments are separately held and reflected in the respective individual funds. These pooled and non-pooled cash and investment pools are displayed on its respective balance sheet as "cash and cash equivalents".

Investments in external pools are stated at amortized cost and have not been classified in the fair value hierarchy.

The City reporting entity considers highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

Inventories and Prepaids

Inventories consisting of expendable supplies held for consumption in governmental funds are reported using the expenditure method. Under this method, amounts paid for these items are reported as expenditures when purchased. Inventories, when material, are valued at cost stated on a first- in, first-out basis.

Prepaid items record payments to vendors that benefit future reporting periods and are reported on the consumption basis at cost on the government-wide and fund financial statements.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Lease Receivable

The City is a lessor for various noncancellable leases of its water towers. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines: (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses the lessee's rate, or the rate disclosed in the agreement. If the rate is not readily available, the City uses its incremental borrowing rate as the discount rate.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net assets that applies to a future reporting period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

The government reports deferred outflows related to deferred loss on bond refundings, pension and OPEB in the government-wide statement of net position.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from the following sources: leases, property taxes, fines, and ambulance billing. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the government reports deferred inflows related to leases, pension and OPEB in the government-wide statement of net position.

Subscription Assets

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

Capital, Lease and Subscription Assets, Depreciation, and Amortization

The City's property, plant, equipment, and infrastructure (including leased and subscription assets) with useful lives of more than one year are stated at historical cost, or if historical cost is not available, they are stated at estimated historical cost. Donated assets are reported at acquisition value. These assets are reported in the government-wide financial statements in the applicable governmental or business-type column or in the proprietary fund. The City maintains infrastructure asset records consistent with all other capital assets. The City generally capitalizes assets with a cost of $5,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital, leased, and subscription assets are depreciated/amortized using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is reported.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	40
Road infrastructure	15-50
Water and sewer infrastructure and rights	20-40
Vehicles	5
Furniture, machinery, and equipment	5

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Long-term Debt and Bond Discounts/Premiums

In the government-wide and proprietary financial statements, outstanding debt is reported as liabilities. Bond discounts are capitalized and amortized over the shorter term of the old or new bonds using the straight-line method. Bond premiums are capitalized and amortized over the life of the new bonds using the effective interest method. Issuance costs are expensed.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

Escrow Deposits

The City collects and holds money from approved developer agreements and other private construction commitments assessed during the permitting process. The escrow deposits are either refunded once the developer has completely fulfilled their commitment or applied to revenue to reimburse for the City's cost in completing the obligation.

Lease Liability

The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the City measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life for lease term, whichever is shorter.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Lease assets are reported with capital, lease, and subscription assets and lease liabilities are reported with long-term liabilities on the statement of net position.

Subscription Liability

The City contracts for noncancellable subscriptions of information technology software. The City recognizes a subscription liability and an intangible subscription asset (subscription asset) in the government-wide financial statements. The City recognizes subscription liabilities with an initial, individual value of $5,000 or more. At the commencement of a subscription, the City measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

Pensions

For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS' Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Defined Benefit Other Postemployment Benefit Plans

The City has a single-employer defined benefit other postemployment benefit (OPEB) plan (Plan). For purposes of measuring the total OPEB liability for the Plan, deferred outflows of resources and deferred inflows of resources related to the OPEB plan, and OPEB expense have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms for the Plan.

Compensated Absences

Full-time employees earn vacation leave for each month of work performed. Progressive accrual of vacation leave is based on the number of years the individual is employed by the City. After completion of a probationary period of employment, accrued vacation leave is paid upon termination of employment. Full-time employees also earn sick leave time. Unused sick leave is not paid upon termination of employment; therefore, no monetary obligation exists.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Compensated absences are reported as accrued in the government-wide, proprietary, and component unit financial statements. Governmental funds report only matured compensated absences payable to currently terminating employees. These are included in accrued salaries and benefits, as applicable.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources of governmental and business-type activities and proprietary funds. The government-wide and proprietary fund financials utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – This amount consists of capital and leased assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt, that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted Net Position – This amount is restricted by external parties such as creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This amount is the net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance

The City implemented GASB Statement 54 standards for the classification of fund balances in the governmental funds. The fund balances of governmental funds are defined as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form, such as inventory or prepaid items or because they are legally or contractually required to be maintained intact.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Restricted – amounts that can be spent only for specific purposes because of constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the City Council. The City Council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through a formal resolution of the City Council.

Assigned – amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council's delegation of this responsibility to City management through the budgetary process.

Unassigned – all other spendable amounts in the general fund. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The City Council delegates the responsibility to assign funds to the City Manager, Director of Finance, or other designees.

When expenditures are incurred for which both restricted and unrestricted fund balance is available the City considers restricted funds to have been spent first. Similarly, committed funds are considered to have been spent first when there is a choice for the use of less restricted funds, then assigned, and then unassigned funds.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a participant in the Texas Municipal League (TML) Employees Health Insurance Fund, Texas Municipal League Workers' Compensation Joint Insurance Fund (WC Fund), and the Texas Municipal League Joint Self-Insurance Fund (Property-Liability Fund), a public entity risk pool operated by the Texas Municipal League Board for the benefit of individual governmental units located within Texas. The agreement provides that the trust established by TML will be self-sustaining through member premiums. The City pays annual premiums to TML for worker's compensation, general and auto liability, property damage, employee dishonesty, public officials' liability, and law enforcement professional liability coverage. The City does not anticipate any material additional insurance cost assessments as a result of participation in this risk management pool. There were no reductions in insurance coverage from the prior year. Settlements have not exceeded insurance coverage during any of the past three fiscal years.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Adoption of New Accounting Standards

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This standard addresses the gap in current accounting guidance related to public-private and public-public partnerships (both referred to as PPPs) that do not meet the definition of a service concession arrangement. The adoption of this standard had no impact on the City.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The implementation of this standard establishes a single model for subscription-based information technology arrangements (SBITAs) accounting based on the principle that contracts are financings of the right to use an underlying information technology software asset. The standard requires recognition of certain right-to-use subscription assets and subscription liabilities. As a result of implementing this standard the City recognized right-to-use subscription assets and liabilities. The adoption of this standard had no impact on beginning net position. The additional disclosures required by this standard are included in *Notes 6 and 7*.

Note 2: Stewardship, Compliance, and Accountability

Budgetary Information

The City Manager submits an annual budget to the City Council in accordance with the laws of the State of Texas and the city charter. The budget is presented to the City Council for review, budget workshops are held with the various City department officials, and public hearings are held to address priorities and the allocation of resources. Generally, in August, the City Council adopts the annual fiscal year budgets for all City operating funds. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

The legal level of budgetary control is at the fund level, but to help departments manage resources a detailed line-item budget is prepared for internal use. Each fund's approved budget is prepared on a detailed line-item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: personnel services and related fringe benefits, supplies, other services and charges, capital outlay, transfers, and debt service. Expenditures may not exceed appropriations at the department level. Within this control level, management may transfer appropriations between line items. Line-item transfers within a department are not subject to final review by the City Council. Budget revisions and line-item transfers are subject to final review by the City Council. Revisions to the budget were made throughout the year.

Note 2: Stewardship, Compliance, and Accountability (Continued)

Annual budgets for the General Fund, Debt Service Fund and Water and Sewer Fund are legally adopted on a basis consistent with generally accepted accounting principles. The capital projects fund is appropriated on a project-length basis. Other special revenue funds do not have appropriated budgets since other means control the use of these resources and sometimes span a period of more than one fiscal year.

The budgets for the operating funds are prepared on the cash and expenditure basis. Revenues are budgeted in the year receipt is expected; and expenditures, which do not include encumbrances, are budgeted in the year that the liability is to be incurred. The Debt Service Fund budget is prepared to provide funding for general obligation debt service when liabilities are due for payment. The General Fund budget and actual included in the basic financial statements is presented on these bases. Unexpended appropriations for annually budgeted funds lapse at fiscal year-end.

Note 3: Deposits and Investments

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy requires deposits to be fully secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation (FDIC) insurance. Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health. Collateral agreements must be approved prior to deposit of funds. The City Council approves authorized depository institutions based on the recommendations of City management.

Deposits of City of Celina, Texas (primary government), CEDC and CCDC were fully insured or collateralized with securities held by the City, CEDC, CCDC, its agent, or by the pledging financial institution's trust department or agent in the name of the City, CEDC or CCDC, respectively.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the City's investing activities are managed under the custody of the Finance Director. Investing is performed in accordance with investment policies adopted by the City Council in compliance with the *Public Funds Investment Act* (PFIA).

City investment policy and the PFIA generally permit the City to invest in FDIC insured or fully collateralized certificates of deposit, fully collateralized repurchase agreements, public funds investment pools, obligations of the United States of America or its agencies, direct obligations of the State of Texas and obligations of agencies, counties, cities, and other political subdivisions of Texas having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than "A" or its equivalent. During the year ended September 30, 2023, the City did not own any types of securities other than those permitted by the City investment policy or the *Public Funds Investment Act*.

Note 3: Deposits and Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. City policy generally requires investment maturities to correspond to anticipated cash flow needs. City policy further states that volatile investment instruments shall be avoided and that nonmarketable instruments with maturities beyond one month shall not exceed 30 percent of the portfolio. In addition, investment maturities shall not exceed the following limits:

Operating funds – 30 days

Capital project funds – corresponding draw schedules

Debt service funds – corresponding payment dates, not to exceed (6) six months

Bond reserve funds – (5) five years

External Investment Pools: The City's pooled investments as of September 30, 2023, were invested in TexPool.

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an Advisory Board composed both of participants in TexPool and of other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. Finally, TexPool is rated AAAm by Standard & Poor's. TexPool is not registered with the Securities and Exchange Commission (SEC) as an investment company.

Investments in TexPool are carried at amortized cost and are reported as cash equivalents in the accompanying financial statements.

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. City policy requires that the risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types to eliminate the risk of loss from over-concentration of assets in a specific issuer, or a specific class of securities.

For investments, **custodial credit risk** is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The City's policy on safekeeping and custody requires that investments shall be secured through safekeeping agreements. All investment funds shall be placed directly with qualified financial institutions selected through the City's banking procurement process. All transactions shall be executed on a delivery versus payment basis.

Note 4: Receivables

Proprietary Fund Receivables, Uncollectible Accounts, and Unearned Revenue

Significant receivables include amounts due from customers primarily for utility services. The Proprietary Fund reports accounts receivable net of an allowance for uncollectible accounts and revenues net of uncollectible amounts. The allowance amount is estimated using accounts receivable past due more than 60 to 90 days. Unearned revenue of $583,886 in the proprietary fund represents grant proceeds received in advance related to the Coronavirus State and Local Fiscal Recovery Fund but have not yet been earned.

The following is the detail of the Proprietary Fund receivables and the related allowance for uncollectible accounts:

Accounts receivable, gross	$ 3,824,443
Grants receivable	3,000
Less: allowance for uncollectible accounts	(378,511)
Net accounts receivable	$ 3,448,932

Property Taxes Receivable, Unearned Revenues, and the Property Tax Calendar

Property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property located in the City. Assessed value represents the appraisal value less applicable exemptions authorized by the City Council. The Appraisal Board of Review establishes appraised values at 100.00% for estimated fair value. A tax lien attaches to the property on January 1 of each year, to secure the payment of all taxes, penalties and interest ultimately imposed for the year on that property, whether or not the taxes are imposed in the year the lien attaches. Taxes are due on October 1 immediately following the levy date and are delinquent after the following January 31st.

The property tax rate for the year ended September 30, 2023 was .6348 per $100 of the assessed valuation on taxable property.

The following is a summary of the overall tax rate as levied by fund:

Maintenance and operations – General Fund	.3727
Interest and sinking – Debt Service Fund	.2621
Total tax rate	.6348

Note 4: Receivables (Continued)

In the governmental fund financial statements, property taxes are recorded as receivables in each of the respective funds on the tax levy date with appropriate allowances for estimated uncollectible amounts. At fiscal year-end, property tax receivables represent delinquent taxes. If delinquent taxes are not paid within 60 days of year-end, they are recorded as deferred inflows of resources – unavailable revenue.

In the government-wide financial statements, property taxes receivable and related revenue include all amounts due the City with a fifteen percent (15.00%) allowance for estimated uncollectible amounts regardless of when cash is received. Over time substantially all property taxes are collected.

Allowance for Uncollectible Taxes

The City records an allowance for uncollectible property taxes in order to estimate the amount of taxes that will ultimately prove to be uncollectible. Management has determined that an allowance in the amount of fifteen percent (15.00%) of the property taxes receivable in each of the applicable fund types should be adequate to provide for uncollectible property taxes. No provisions are made for uncollectible sales tax receivables, or grants receivable as management estimates that these amounts will be fully collectible.

Fines and Court Costs Receivable and Related Allowances

In the government-wide financial statements, the City records fines and court costs receivable net of amounts estimated to be uncollectible and net of any amounts that would be due to other governmental entities as a result of collection. Management has determined the estimate of uncollectible fines and court costs through an analysis of actual amounts collected subsequent to year end. Amounts due to other governmental entities have been determined based on distribution requirements of the State of Texas.

The following is the detail of the governmental fund receivables and the related allowance for uncollectible accounts:

	General Fund	Debt Service Fund	Other Governmental Fund	Total Governmental Funds
Sales tax	$ 750,570	$ -	$ -	$ 750,570
Property tax	317,100	160,133	-	477,233
EMS	975,961	-	-	975,961
Other	1,455,008	-	59,313	1,514,321
Less: Allowance for doubtful accounts	(1,407,998)	(24,020)	-	(1,432,018)
Total	$ 2,090,641	$ 136,113	$ 59,313	$ 2,286,067

Note 5: Lease Receivable

The City leases a portion of its property to various cell phone companies who use the space to conduct their operations, the terms of which expire 2038 through 2049. The measurement of the lease receivable is based on the present value of lease payments expected to be received during the lease term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any lease incentives payable to the lessee.

The City recognized $63,204 in lease revenue and $96,708 in interest revenue during the current fiscal year related to this lease. As of September 30, 2023, the City's receivable for lease payments was $2,827,770. Also, the City has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of September 30, 2023, the balance of the deferred inflow of resources was $2,675,353.

The following is a schedule by year of minimum payments to be received under the City's leases that are included in the measurement of the lease receivable as of September 30, 2023:

	Governmental Activities		
Year Ending September 30,	Principal	Interest	Total Receipts
2024	$ 69,591	$ 94,252	$ 163,843
2025	76,710	91,899	168,609
2026	83,076	89,308	172,384
2027	88,522	86,534	175,056
2028	94,242	83,571	177,813
2029-2033	586,492	364,716	951,208
2034-2038	785,509	249,822	1,035,331
2039-2043	764,634	112,121	876,755
2044-2048	208,932	29,334	238,266
2049	70,062	830	70,892
Totals	$ 2,827,770	$ 1,202,387	$ 4,030,157

Note 6: Capital, Lease and Subscription Assets

Capital, lease, and subscription asset activity for the year ended September 30, 2023, was as follows:

	Beginning*	Increases	Decreases/Transfers	Ending
Governmental Activities				
Nondepreciable capital assets:				
Land	$ 35,157,105	$ 16,945,335	$ 30,250	$ 52,132,690
Construction in progress	39,706,453	52,619,505	(17,947,525)	74,378,433
Total nondepreciable capital assets	74,863,558	69,564,840	(17,917,275)	126,511,123
Depreciable capital assets				
Buildings and improvements	20,240,552	-	-	20,240,552
Parks	12,540,170	-	14,935,436	27,475,606
Road infrastructure	91,402,374	38,482,973	2,658,409	132,543,756
Furniture and equipment	4,557,025	584,508	264,542	5,406,075
Right-to-use leased equipment	-	538,552	-	538,552
Subscription asset	131,220	-	-	131,220
Vehicles	8,882,079	1,991,098	(29,837)	10,843,340
Total depreciable capital assets	137,753,420	41,597,131	17,828,550	197,179,101
Total capital assets	212,616,978	111,161,971	(88,725)	323,690,224
Less: accumulated depreciation/amortization				
Buildings and improvements	2,571,916	742,233	-	3,314,149
Parks	3,250,777	416,887	-	3,667,664
Road infrastructure	12,834,312	2,927,412	-	15,761,724
Furniture and equipment	3,404,841	457,455	-	3,862,296
Right-to-use leased equipment	-	107,710	-	107,710
Subscription asset	-	26,244	-	26,244
Vehicles	4,422,802	1,138,310	-	5,561,112
Total accumulated depreciation/amortization	26,484,648	5,816,251	-	32,300,899
Capital, lease and subscription assets, net	$ 186,132,330	$ 105,345,720	$ (88,725)	$ 291,389,325

*Fiscal year 2022 amounts have been restated for GASB 96 adoption.

Note 6: Capital Lease and Subscription Assets (Continued)

	Beginning	Increases	Decreases/Transfers	Ending
Business-Type Activities				
Nondepreciable capital assets:				
Land	$ 7,980,894	$ -	$ -	$ 7,980,894
Water rights	-	17,299,949	-	17,299,949
Construction in progress	36,022,248	48,131,599	(5,828,798)	78,325,049
Total nondepreciable capital assets	44,003,142	65,431,548	(5,828,798)	103,605,892
Depreciable capital assets				
Buildings and improvements	43,769	-	-	43,769
Water & Sewer infrastructure	165,545,868	57,403,830	5,656,899	228,606,597
Vehicles	1,216,814	536,564	(67,065)	1,686,313
Equipment	2,298,177	288,930	167,921	2,755,028
Total depreciable capital assets	169,104,628	58,229,324	5,757,755	233,091,707
Total capital assets	213,107,770	123,660,872	(71,043)	336,697,599
Less: accumulated depreciation				
Buildings and improvements	32,280	1,094	-	33,374
Water & Sewer infrastructure	19,983,842	5,505,672	-	25,489,514
Vehicles	816,682	84,656	-	901,338
Equipment	825,852	219,369	-	1,045,221
Total accumulated depreciation	21,658,656	5,810,791	-	27,469,447
Capital assets, net	$ 191,449,114	$ 117,850,081	$ (71,043)	$ 309,228,152

Depreciation and amortization expense for governmental activities was charged to functions of the City as follows:

Administration	$ 204,262
Fire and emergency services	998,679
Road infrastructure	3,069,076
Facilities Maintenance	10,002
Parks	449,665
Police department	519,235
Development services	354,614
Library	23,351
Information technology	138,412
Marketing	4,142
Engineering	42,658
Court	2,155
Total	$ 5,816,251

Note 6: Capital Lease and Subscription Assets (Continued)

Depreciation expense recorded in business-type activities and the Proprietary Fund was $5,810,791.

The City of Celina has active construction projects as of September 30, 2023. The projects include streets, water and wastewater, drainage, public safety, park, and general government improvements. At year-end, the City of Celina's commitments with contractors are as follows:

Project	Remaining Commitment
Water/wastewater improvements	$ 31,302,095
Parks and recreation	5,851,064
Public safety	18,400,625
Drainage improvements	39,116
Road improvements	23,326,342
General government	2,550,358
	$ 81,469,600

Note 7: Long-term Obligations

The following is a summary of long-term debt transactions for the City for the year ended September 30, 2023:

	Beginning Balance*	Increase	Decrease	Ending Balance	Due Within One Year
Governmental Activities					
Bonds Payable					
General obligation bonds	$ 10,010,000	$ -	$ (870,000)	$ 9,140,000	$ 900,000
Tax and waterworks and sewer system certificates of obligation	133,215,000	53,892,659	(2,605,000)	184,502,659	5,175,000
	143,225,000	53,892,659	(3,475,000)	193,642,659	6,075,000
Issuance premium	11,899,585	4,611,356	(1,279,126)	15,231,815	1,432,630
Total bonds payable	155,124,585	58,504,015	(4,754,126)	208,874,474	7,507,630
Lease liability	-	538,552	(117,760)	420,792	98,109
Subscription liability	131,220	-	(28,693)	102,527	23,905
Arbitrage liability	-	316,200	-	316,200	-
Compensated absences	1,194,320	568,941	(298,580)	1,464,681	366,171
Governmental activities Long-term debt	$ 156,450,125	$ 59,927,708	$ (5,199,159)	$ 211,178,674	$ 7,995,815
Business-type Activities					
Bonds Payable					
General obligation bonds	$ 430,000	$ -	$ (430,000)	$ -	$ -
Tax and waterworks and sewer system certificates of obligation	129,290,000	37,167,341	(4,970,000)	161,487,341	6,040,000
	129,720,000	37,167,341	(5,400,000)	161,487,341	6,040,000
Issuance premium	9,359,301	3,180,244	(1,017,184)	11,522,361	1,115,395
Total bonds payable	139,079,301	40,347,585	(6,417,184)	173,009,702	7,155,395
Note payable	700,051	17,299,949	-	18,000,000	1,000,000
Arbitrage liability	-	208,890	-	208,890	-
Compensated absences	90,396	10,965	(22,599)	78,762	19,961
Business-type activities Long-term debt	$ 139,869,748	$ 57,867,389	$ (6,439,783)	$ 191,297,354	$ 8,175,356

*Fiscal year 2022 amounts have been restated for GASB 96 adoption.

Note 7: Long-term Obligations (Continued)

Long-term Obligations Supporting Governmental Activities

The government issues general obligation bonds and certificates of obligation to provide funds for the acquisition and construction of major capital facilities. General obligation bonds and certificates of obligation have been issued for governmental activities and are direct obligations and pledge the full faith and credit of the government. These bonds and certificates generally are issued as serial bonds with equal amounts of principal maturing each year with maturities of 20 years. General obligation bonds and certificates of obligation are to be repaid with property taxes levied for debt service and recorded by the Debt Service fund. The City's borrowing capacity is restrained by maintaining the City's debt at a responsible level.

Interest expense for governmental activities was $4,657,447 and is reported as a separate line item in the statement of activities.

Business-type Activities - Revenue Bonds

Revenue bonds consist of debt issued to support activities of the Proprietary (Water and Sewer) Fund. In addition to being backed by the full faith and credit of the City, revenue bonds are secured by a lien on and a pledge of the surplus revenues of the water and sewer system.

During fiscal year 2023, the City entered into an agreement with Marilee Special Utility District, for the purchase of 20,754 acres of Marilee Certificates of Convenience and Necessity (CCN) area for a total of $18,000,000 (when considering outstanding balance due under previous agreement) over eleven annual installments. This new agreement voided the previous agreement that was entered into during fiscal year 2020.

Year Ending September 30	Business-type Activities Note Payable	Business-type Activities Total Required
2024	$ 1,000,000	$ 1,000,000
2025	1,000,000	1,000,000
2026	1,000,000	1,000,000
2027	2,000,000	2,000,000
2028	2,000,000	2,000,000
2029-2033	10,000,000	10,000,000
2034	1,000,000	1,000,000
Totals	$ 18,000,000	$ 18,000,000

Note 7: Long-term Obligations (Continued)

Interest expense for business-type activities and the Proprietary (Water and Sewer) Fund was $4,226,596 for the year.

Compensated absences are paid from the fund responsible for the employee's compensation with significant liabilities payable from the General Fund and Water and Sewer Fund.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity for bonded debt are as follows at year end:

	Governmental Activities		
Year Ending September 30	Bond Principal	Bond Interest	Total Required
2024	$ 6,075,000	$8,152,792	$ 14,227,792
2025	6,530,000	7,139,819	13,669,819
2026	7,570,000	6,881,763	14,451,763
2027	8,285,000	6,552,800	14,837,800
2028	8,650,000	6,179,844	14,829,844
2029-2033	47,885,000	2,574,231	50,459,231
2034-2038	50,045,000	16,542,731	66,587,731
2039-2043	34,650,000	8,980,569	43,630,569
2044-2048	23,952,659	3,086,650	27,039,309
Totals	$ 193,642,659	$ 66,091,199	$ 259,733,858

	Business-type Activities		
Year Ending September 30	Bond Principal	Bond Interest	Total Required
2024	$ 6,040,000	$6,954,745	$ 12,994,745
2025	6,505,000	6,169,419	12,674,419
2026	6,795,000	5,891,106	12,686,106
2027	7,090,000	5,581,869	12,671,869
2028	7,400,000	5,271,306	12,671,306
2029-2033	41,720,000	21,504,300	63,224,300
2034-2038	43,470,000	13,479,438	56,949,438
2039-2043	23,355,000	7,094,425	30,449,425
2044-2048	19,112,341	2,458,400	21,570,741
Totals	$ 161,487,341	$ 74,405,008	$ 235,892,349

Note 7: Long-term Obligations (Continued)

Current Year Bond Issuances

In April 2023, the City issued Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2023 in the amount of $91,060,000 for the purpose of: (i) acquiring, constructing, improving, remodeling, renovating and equipping park facilities, including the acquisition of land and rights-of-way, (ii) acquiring, designing, constructing, equipping and improving public safety facilities, including the acquisition of land and rights-of-way and the acquisition of vehicles, (iii) acquiring and equipping telecommunication, wireless communication, and information technology system equipment, (iv) designing, constructing, equipping and improving a municipal government facility, (v) constructing and improving streets, including drainage, landscaping, curbs, gutters, sidewalks, entryways, pedestrian pathways, signage and traffic signalization and the acquisition of land and rights-of-way, (vi) acquiring, designing and constructing a municipal parking facility, including the acquisition of land and rights-of-way, (vii) improving and extending the City's combined waterworks and sewer system, including the acquisition of land and rights-of-way. Interest will be payable semiannually on March 1 and September 1 of each year, commencing September 1, 2023. The bonds were issued with a premium of $7,791,600 and an interest rate of 5.0%.

Special Assessment Revenue Bonds

From time to time the City issues Special Assessment Revenue Bonds. Total bond principal outstanding for these issues is $345,862,000 at year-end. Proceeds of the bonds were deposited into trust accounts with U.S. Bank N.A. (U.S. Bank) for the purpose of funding improvements. U.S. Bank serves as trustee, for the benefit of the bond holders, for these funds as well as any and all other property or money of every name and nature, which is, from time-to-time hereafter by delivery or in writing of any kind, conveyed, pledged, assigned, or transferred to the trustee. The City has no direct or contingent liability or moral obligation for the payment of this debt; therefore, this debt is not recorded as long-term debt of the City.

Lease Liability

The City leases certain equipment to conduct its operations, the term of which expires 2027. The measurement of lease payables is based on the present value of lease payments expected to be paid during the lease term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any lease incentives payable to the lessee.

An initial lease liability was recorded in the amount of $538,552 during fiscal year 2023. As of September 30, 2023, the value of the lease liabilities was $420,792. An incremental borrowing rate of 4.67 percent was used to measure the lease liabilities. The value of the right-to-use assets as of September 30, 2023 was $538,552 and had accumulated amortization of $107,710.

Note 7: Long-term Obligations (Continued)

The future principal and interest payments for the lease liability as of September 30, 2023 are as follows:

	Governmental Activities		
Year Ending September 30,	Principal	Interest	Total Required
2024	$ 98,109	$ 15,451	$ 113,560
2025	102,691	10,673	113,364
2026	107,486	5,672	113,158
2027	112,506	437	112,943
Totals	$ 420,792	$ 32,233	$ 453,025

Subscription Liability

The City has subscription IT arrangements to conduct its operations, the terms of which expire 2024 through 2027. The measurement of the subscription liabilities is based on the present value of subscription payments expected to be paid during the subscription term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any subscription incentives payable.

An initial subscription liability was recorded in the amount of $131,220. As of September 30, 2023, the value of the subscription liabilities was $102,527. An incremental borrowing rate of 4.67 percent was used to measure subscription liabilities. The value of the right-to-use subscription assets as of September 30, 2023 was $131,220 and had accumulated amortization of $26,244.

The future principal and interest payments for subscription liabilities as of September 30, 2023, are as follows:

	Governmental Activities		
Year Ending September 30,	Principal	Interest	Total Required
2024	$ 23,905	$ 3,765	$ 27,670
2025	25,021	2,601	27,622
2026	26,189	1,382	27,571
2027	27,412	107	27,519
Totals	$ 102,527	$ 7,855	$ 110,382

Note 8: Defined Benefit Pension Plan

Plan Description

The City of Celina, Texas participates as one of over 900 plans in the defined benefit plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the *TMRS Act*, Subtitle G, Title 8, Texas Government Code (TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS' s defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report that can be obtained at *www.tmrs.com.* All eligible employees of the City are required to participate in TMRS.

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75.00% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

Employee deposit rate	7.0%
Matching ratio (City to Employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years at any age, 5 years at age 60 and above
Updated service credit	75% Repeating
Annuity increase to retirees	50% of CPI Repeating

Note 8: Defined Benefit Pension Plan (Continued)

At the December 31, 2022, valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefi	27
Inactive employees entitled to but not yet receiving benefits	147
Active employees	227
	401

Contributions

The contribution rates for employees in TMRS are either 5.00%, 6.00%, or 7.00% of employee gross earnings, and the City matching percentages are either 100.00%, 150.00% or 200.00%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees of the City were required to contribute 7.00% of their annual gross earnings during the fiscal year. The contribution rates for the City were 6.49% and 6.33% in calendar years 2023 and 2022, respectively. The City's contributions to TMRS for the year ended September 30, 2023, were $2,065,125 and were equal to the required contributions.

Net Pension Liability/(Asset)

The City's Net Pension Liability/(Asset) (NPL) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability/(Asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of position plan investment expense, including inflation

Note 8: Defined Benefit Pension Plan (Continued)

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a four-year set-forward for males and a three-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2023 are summarized in the following table:

Note 8: Defined Benefit Pension Plan (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.00%	7.70%
Core Fixed Income	6.00%	4.90%
Non-Core Fixed Income	20.00%	8.70%
Other Public and Private Markets	12.00%	8.10%
Real Estate	12.00%	5.80%
Hedge Funds	5.00%	6.90%
Private Equity	10.00%	11.80%
Total	100.00%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Liability (Asset) (A - B)
Balance at October 1, 2022	$ 13,451,514	$ 14,537,300	$ (1,085,786)
Changes for the year:			
Service Cost	2,929,377	-	2,929,377
Interest	1,185,730	-	1,185,730
Change of benefit terms	2,786,294	-	2,786,294
Difference between expected and actual experience	556,565	-	556,565
Contributions – employer	-	1,076,062	(1,076,062)
Contributions – employee	-	1,209,059	(1,209,059)
Net investment income	-	(1,067,722)	1,067,722
Benefit payments, including refunds of employee contributions	(272,258)	(272,258)	-
Administrative expense	-	(9,183)	9,183
Other changes	-	10,958	(10,958)
Net changes	7,185,708	946,916	6,238,792
Balance at September 30, 2023	$ 20,637,222	$ 15,484,216	$ 5,153,006

Note 8: Defined Benefit Pension Plan (Continued)

Sensitivity of The Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1- percentage -point lower (5.75%) or 1- percentage-point higher (7.75%) than the current rate:

	1 % Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	$ 8,901,845	$ 5,153,006	$ 2,151,976

Pension Plan Fiduciary Net Position

Detailed information about the pension plan' s Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained at *www.tmrs.com.*

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2023, the City recognized pension expense of $5,044,703.

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 460,022	$ 32,800
Changes in actuarial assumptions	-	62
Difference between projected and actual investment earnings	1,047,668	-
Contributions subsequent to the measurement date	1,793,931	-
Total	$ 3,301,621	$ 32,862

Note 8: Defined Benefit Pension Plan (Continued)

$1,793,931 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a decrease to the net pension liability for the year ending September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2024	$ 217,391
2025	341,599
2026	359,267
2027	513,446
2028	43,125
Total	$ 1,474,828

Note 9: Postemployment Benefits Other Than Pensions (OPEB)

Plan description - The City maintains a single-employer defined benefit group-term life insurance plan known as the TMRS Supplemental Death Benefits Fund (SDBF). The plan is administered by the TMRS. This is a voluntary program in which the City elected, by ordinance, to provide group-term life insurance coverage for their active members, including retirees. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded other postemployment benefit (OPEB) plan (i.e., no assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions).*

Benefits provided - The death benefit for active employees provides a lump-sum payment approximately equal to the employee 's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an OPEB and is a fixed amount of $7,500.

Note 9: Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Employees Covered by Benefit Terms

At the December 31, 2022 actuarial valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	18
Inactive employees entitled to but not yet receiving benefits	19
Active employees	227
Total	264

Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers.

The City's SDBF contribution rate for all covered employees of the City in calendar years 2023 and 2022 was .20% and .10%, respectively. The City's contributions for all covered employees to the TMRS SDBF for the fiscal years ended September 30, 2023 and 2022, were $35,054 and $17,093, respectively, which equaled the required contributions for each year. The retiree portion of this contribution rate (OPEB portion) was 0.00% of covered payroll in calendar years 2023 and 2022.

Total OPEB Liability

The City's total OPEB liability (TOL) of $158,609 was measured as of December 31, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Inflation	2.50% per year
Salary Increase	3.50% to 11.50% including inflation
Discount Rate	4.05% (1.84% in prior year)

Note 9: Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Mortality rates for retirees and beneficiaries are based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates are projected on a fully generational basis by scale UMP to account for future mortality improvements. For disabled annuitants, the mortality tables for healthy retirees are used with a four-year set-forward for males and a three-year set-forward for females. In addition, a 3.5 percent and 3 percent minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation.

Discount Rate

The current year discount rate used to measure the total OPEB liability was 4.05% and was based upon the Fidelity Index's "20-year Municipal GO AA Index" rate as of December 31, 2022. The prior year discount rate used to measure the total OPEB liability was 1.84% and was based upon the Fidelity Index's "20-year Municipal GO AA Index" rate as of December 31, 2021.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at October 1, 2022	$ 235,328
Changes for the year:	
Service cost	58,726
Interest on total OPEB liability	4,854
Differences between expected & actual experience	(28,874)
Changes in assumptions and other inputs	(109,698)
Benefit payments*	(1,727)
Net changes	(76,719)
Balance at September 30, 2023	$ 158,609

*Due to the SBDF being considered an unfunded OPEB plan under GASB Statement No. 75, benefit payments are treated as being equal to the employer's yearly contribution for retirees.

Note 9: Postemployment Benefits Other Than Pensions (OPEB) (Continued)

The SDBF does not incur TMRS Administrative Expenses. The City is charged, and the administrative expenses are paid through the TMRS Defined Benefit Pension Plan recorded under GASB Statement No. 68.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.05%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.05%) or 1-percentage-point higher (5.05%) than the current rate:

	1 % Decrease (3.05%)	Discount Rate (4.05%)	1% Increase (5.05%)
Total OPEB liability	$ 199,579	$ 158,609	$ 128,162

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the City recognized OPEB expense of $51,309. At year-end, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 70	$ 49,912
Changes in assumptions and other inputs	49,204	100,373
Contributions made subsequent to measurement date	30,744	-
Total	$ 80,018	$ 150,285

Note 9: Postemployment Benefits Other Than Pensions (OPEB) (Continued)

$30,744 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30:	Amount
2024	$ (12,271)
2025	(12,271)
2026	(12,271)
2027	(12,820)
2028	(12,407)
Thereafter	(38,971)
Total	$ (101,011)

Note 10: Deferred Compensation Plan

The City offers its employees a defined contribution, deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by ICMA Retirement Corporation, and the Trustee is VantageTrust Company. Benefit provisions are contained in the plan document and were established and can be amended by the action of City Council. All assets and income are held in trust for the exclusive benefit of participants and their beneficiaries; therefore, it is not reported in the financial statements of the City.

The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City does not contribute to the plan.

Note 11: Transfers and Payments Within the Reporting Entity

Transfers and Payments

Transfers and payments within the reporting entity are substantially for the purposes of funding capital projects and asset acquisitions, transferring bond proceeds between funds, or maintaining debt service on a routine basis. Resources are accumulated in a fund to support and simplify the administration of various projects or programs. The following schedule reports transfers and payments within the reporting entity:

Fund	Transfers In	Transfers Out
General Fund	$ 930,999	$(11,345,914)
Debt Service Fund	-	(1,855,000)
Street Construction Fund	2,500,000	-
Bond Fund	185,434	-
Nonmajor Governmental Funds	9,595,915	(185,602)
Water and Sewer Fund	174,168	-
	$ 13,386,516	$(13,386,516)

General Fund transfers-out is made up of several significant items. First, the City contributed 2.5 million to the Street Maintenance fund during fiscal year 2023. In addition, the General Fund transferred $5 million to the Stabilization Fund, $2.70 million was transferred to the Capital Acquisitions Fund for various projects, $300,000 was transferred to the Technology Fund, and $845,915 was transferred to the City's Vehicle Replacement Program. Bond Fund transfers were to the General Fund, Developer Capital Fees, and Water and Sewer and were used for capital outlays. Finally, the Other Special Revenue Fund transferred monies to the Debt Service Fund.

Note 12: Contingencies

The City participates in various state and federal grant programs and contracts which are subject to financial and compliance audits by the grantors or their representatives. Audits of these programs for the year ended September 30, 2023, have not been conducted. Accordingly, the City's compliance with applicable grant and contract requirements will be established at some future date. The City expects that costs disallowed by these various awarding agencies, if any, would be minimal.

Note 13: Litigation

From time to time, the City is involved in litigation in the ordinary course of business. City management considers the likelihood of any material liability resulting from this litigation to be remote.

Note 14: UTRWD Contractual Requirements

The City has entered into a Participating Member Contract with Upper Trinity Regional Water District (UTRWD) for the use of sewer capacity in the Northeast Regional Water Reclamation System (Doe Branch Plant). In return for the utilization of 1,320,000 gallons of capacity at the Doe Branch Plant, along with the interceptor project, the City will pay annual facilities charges to UTRWD ranging from $810,335 to $1,583,230 beginning in fiscal year 2022 and continuing through fiscal year 2048. Fiscal year 2023 expense associated with this agreement was $1,593,675.

The following is a summary of the City's contractual requirements for future payments under the agreements with UTRWD by year for next five years and in total thereafter:

Year Ending September 30,	Annual Requirement
2024	$ 1,575,525
2025	1,575,935
2026	1,578,910
2027	1,576,130
2028	1,580,855
Thereafter	23,891,805
Total required	$ 31,779,160

Note 15: Future Accounting Pronouncements

The GASB has issued the following new statements to be implemented in future years.

GASB Statement No. 100, *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62 (GASB 100):

This statement improves the clarity and requirements for accounting changes and error corrections. This statement will be effective for the City in fiscal year 2024. The City will evaluate the potential impact on the City's net position.

GASB Statement No. 101, *Compensated Absences* (GASB 101):

This statement addresses the recognition and measurement of compensated absences. This statement will be effective for the City in fiscal year 2025. The City will evaluate the potential impact on the City's net position.

Note 15: Future Accounting Pronouncements (Continued)

GASB Statement No. 102, *Certain Risk Disclosures* (GASB 102):

This statement requires governments to disclose information about certain concentrations or constraints that could affect services provided or the ability to meet obligations as they come due. This statement will be effective for the City in fiscal year 2025. The City will evaluate the potential impact on the City's net position.

Required Supplementary Information

Life Connected.

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City of Celina, Texas

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios

Last Nine Measurement Years

	Measurement Year								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	$ 2,929,377	$ 1,813,918	$ 1,587,716	$ 1,389,740	$ 1,074,389	$ 760,238	$ 634,724	$ 477,763	$ 349,532
Interest (on the Total Pension Liability)	1,185,730	798,870	653,756	532,994	434,173	356,068	297,354	246,793	204,236
Changes of benefit terms	2,786,294	-	-	-	-	-	-	-	-
Difference between expected and actual experience	556,565	7,226	(39,432)	(31,250)	6,080	(3,776)	(42,188)	(33,873)	11,213
Change of assumptions	-	-	-	(150)	-	-	-	164,970	-
Benefit payments, including refunds of employee contributions	(272,258)	(193,295)	(137,309)	(265,215)	(151,399)	(73,590)	(92,022)	(16,986)	(25,289)
Net Change in Total Pension Liability	7,185,708	2,426,719	2,064,731	1,626,119	1,363,243	1,038,940	797,868	838,667	539,692
Total Pension Liability – Beginning	13,451,514	11,024,795	8,960,064	7,333,945	5,970,702	4,931,762	4,133,894	3,295,227	2,755,535
Total Pension Liability – Ending	$ 20,637,222	$ 13,451,514	$ 11,024,795	$ 8,960,064	$ 7,333,945	$ 5,970,702	$ 4,931,762	$ 4,133,894	$ 3,295,227
Plan Fiduciary Net Position									
Contributions – employer	$ 1,076,062	$ 857,813	$ 772,210	$ 650,019	$ 504,822	$ 357,923	$ 241,159	$ 188,960	$ 96,209
Contributions – employee	1,209,059	957,574	835,640	717,947	558,331	393,323	325,261	258,850	201,034
Net Investment income	(1,067,722)	1,496,793	705,428	1,095,951	(190,540)	691,169	285,732	5,594	190,520
Benefit payments, including refunds of employee contributions	(272,258)	(193,295)	(137,309)	(265,215)	(151,399)	(73,590)	(92,022)	(16,986)	(25,289)
Administrative expense	(9,183)	(6,892)	(4,545)	(6,169)	(3,673)	(3,576)	(3,223)	(3,406)	(1,988)
Other	10,958	47	(177)	(185)	(191)	(181)	(174)	(168)	(163)
Net Change in Plan Fiduciary Net Position	946,916	3,112,041	2,171,247	2,192,348	717,350	1,365,068	756,733	432,844	460,323
Plan Fiduciary Net Position – Beginning	14,537,300	11,425,260	9,254,013	7,061,665	6,344,315	4,979,247	4,222,514	3,789,670	3,329,347
Plan Fiduciary Net Position – Ending	$ 15,484,216	$ 14,537,300	$ 11,425,260	$ 9,254,013	$ 7,061,665	$ 6,344,315	$ 4,979,247	$ 4,222,514	$ 3,789,670
Net Pension Liability (Asset) – Ending	$ 5,153,006	$ (1,085,786)	$ (400,465)	$ (293,949)	$ 272,280	$ (373,613)	$ (47,485)	$ (88,620)	$ (494,443)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	75.03%	108.07%	103.63%	103.28%	96.29%	106.26%	100.96%	102.14%	115.00%
Covered Payroll	$ 17,272,272	$ 13,679,622	$ 11,937,718	$ 10,256,387	$ 7,976,159	$ 5,618,903	$ 4,646,591	$ 3,697,854	$ 2,871,910
Net Pension Liability (Asset) as a Percentage of Covered Payroll	29.83%	-7.94%	-3.35%	-2.87%	3.41%	-6.65%	-1.02%	-2.40%	-17.22%

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability (asset) and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the of GASB 68, only periods for which such information is available are presented.

City of Celina, Texas
Schedule of Contributions
Last Nine Fiscal Years

	Fiscal Year								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 2,065,125	$ 1,056,172	$ 796,174	$ 772,301	$ 624,122	$ 459,895	$ 324,728	$ 237,763	$ 162,349
Contributions in relation to the actuarially determined contribution	2,065,125	1,056,172	796,174	772,301	624,122	459,895	324,728	237,763	162,349
Contributions deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 31,925,731	$ 16,654,068	$ 12,371,440	$ 11,996,779	$ 9,844,203	$ 7,245,746	$ 5,230,520	$ 4,486,771	$ 3,388,197
Contributions as a percentage of covered payroll	6.47%	6.34%	6.44%	6.44%	6.34%	6.35%	6.21%	5.30%	4.79%

Schedule Notes:

Valuation Dates:

Notes	Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	N/A
Asset Valuation Method	10 year smoothed fair value; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes	Adopted 100% repeating USC with transfer. Granted 70% ad hoc COLA.

The information in this schedule has been determined as of the City's most recent fiscal year-end and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

City of Celina, Texas
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Six Measurement Years

	Actuarial Valuation and Measurement Date December 31,					
	2022	2021	2020	2019	2018	2017
Total OPEB Liability						
Service cost	$ 58,726	$ 45,143	$ 35,813	$ 21,538	$ 19,940	$ 12,362
Interest on the total OPEB liability	4,854	4,480	4,149	3,527	2,646	2,074
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	(28,874)	(24,423)	(3,930)	(5,434)	155	-
Changes in assumptions or other inputs	(109,698)	9,375	33,718	30,162	(8,000)	6,931
Benefit payments	(1,727)	(1,368)	(1,194)	(1,026)	-	-
Net Change in Total OPEB Liability	(76,719)	33,207	68,556	48,767	14,741	21,367
Total OPEB Liability – Beginning	235,328	202,121	133,565	84,798	70,057	48,690
Total OPEB Liability – Ending	$ 158,609	$ 235,328	$ 202,121	$ 133,565	$ 84,798	$ 70,057
Covered Employee Payroll	$ 17,272,272	$ 13,679,622	$ 11,937,718	$ 10,256,387	$ 7,976,159	$ 5,618,903
Total OPEB Liability as a Percentage of Covered Employee Payr	0.92%	1.72%	1.69%	1.30%	1.06%	1.25%

Schedule Notes:

Plan information:

Single-employer unfunded OPEB plan — There are no assets accumulated in a trust that meets the criteria in GASB Statement No.75 paragraph 4 to pay related benefits.

Changes of assumptions:

Changes of assumptions and other inputs reflect the effects of changes inthe discount rate each period. The following are the discount rates used in each period:

2018	3.71%
2019	2.75%
2020	2.00%
2021	1.84%
2022	4.05%

Actuarial Valuation & Measurement Date: December 31

Significant actuarial assumptions used to measure the total OPEB liability:

Inflation	2.50%
Salary Increases	3.50% to 11.50%, including inflation
Discount Rate	4.05% (Based on Fidelity Index's "20-year Municipal GO AA Index" rate as of 12/31/22). 1.84% in prior year.
Retiree's Share of Benefit-related Costs	$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No.68
Mortality - Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality - Disabled Retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

*Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

The information in this schedule has been determined as of the measurement date (December 31) of the City's total OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 75, only periods for which such information is available are presented.

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Combining and Individual Fund Financial Statements and Schedules

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City of Celina, Texas
Budgetary Comparison Schedule (GAAP Basis)
Debt Service Fund
For the Year Ended September 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Ad valorem taxes	$ 11,037,117	$ 11,037,117	$ 11,869,394	$ 832,277
Interest	25,000	25,000	333,767	308,767
Total revenues	11,062,117	11,062,117	12,203,161	1,141,044
Expenditures				
Principal	3,475,000	3,475,000	3,475,000	-
Interest and Fiscal Charges	5,167,359	5,167,359	5,152,631	14,728
Bond issuance cost	1,400	1,400	-	1,400
Total expenditures	8,643,759	8,643,759	8,627,631	16,128
Excess of revenues over expenditures	563,358	563,358	3,575,530	1,157,172
Other Financing Sources (Uses)				
Transfers in (out)	(1,855,000)	(1,855,000)	(1,855,000)	-
Total Other Financing Sources (Uses)	(1,855,000)	(1,855,000)	(1,855,000)	-
Net Change in Fund Balance	(1,291,642)	(1,291,642)	1,720,530	3,012,172
Fund Balance, Beginning of Year	1,968,883	1,968,883	1,968,883	-
Fund Balance, End of Year	$ 677,241	$ 677,241	$ 3,689,413	$ 3,012,172

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Nonmajor Governmental Funds

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Nonmajor Governmental Funds

Roadway Impact Fees Fund – is used to account for fees paid by developers for construction of streets under the Roadway Impact Fees ordinance.

Capital Equipment Replacement Fund – to account for public safety capital replacements including vehicles and equipment.

Capital Acquisition Fund – established as a reserve fund for capital and smaller infrastructure needs. Funding is from transfers in from the General Fund.

Capital Projects Fund – accounts for the financing and acquisition of capital improvements. Fund resources provided primarily through interlocal agreements, developer agreements and escrowed funds.

Roadway Capital Recovery Fees Fund – to account for roadway capital recovery fees paid by developers to the City for roadway construction.

Technology Fund – to account for technology infrastructure improvements and computer hardware/software needs. Source of funding is from developer fees when obtaining building permits.

Stabilization Fund – Established to help the City maintain resiliency by ensuring adequate balance to cash flow requirements during economic turbulence.

Developer Capital Fees Fund – to account for Developer Fees paid to build capital projects per the agreements.

Court Special Revenue Fund – to account for the restricted Court fees to be used to pay for technology expenses and security expenses specific to the Court.

Other Special Revenue Funds – to account for various grants, PEG fees, hotel occupancy taxes, and other miscellaneous special revenues collected.

City of Celina, Texas
Combining Balance Sheet
Other Governmental Funds
September 30, 2023

	Roadway Impact Fees	Capital Equipment Replacement	Capital Acquisition	Capital Projects	Roadway Capital Recovery Fees	Technology
Assets						
Cash and cash equivalents	$ 8,459,726	$ 4,858,919	$ 5,727,805	$ 800,000	$ 8,115,663	$ 1,378,683
Accounts receivable	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-
Prepaids	-	-	-	-	-	-
Total assets	$ 8,459,726	$ 4,858,919	$ 5,727,805	$ 800,000	$ 8,115,663	$ 1,378,683
Liabilities						
Accounts payable	$ 13,585	$ -	$ 168,632	$ -	$ 398,021	$ -
Escrowed funds	-	-	-	800,000	-	-
Total liabilities	13,585	-	168,632	800,000	398,021	-
Deferred Inflows of Resources						
Deferred revenue	-	-	-	-	-	-
Lease related	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances						
Nonspendable						
Prepaids	-	-	-	-	-	-
Restricted for						
Capital projects	8,446,141	-	-	-	7,717,642	-
Law enforcement	-	-	-	-	-	-
Courts	-	-	-	-	-	-
PEG	-	-	-	-	-	-
Hotel	-	-	-	-	-	-
Technology	-	-	-	-	-	1,378,683
Assigned	-	4,858,919	5,559,173	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	8,446,141	4,858,919	5,559,173	-	7,717,642	1,378,683
Total liabilities and fund balances	$ 8,459,726	$ 4,858,919	$ 5,727,805	$ 800,000	$ 8,115,663	$ 1,378,683

City of Celina, Texas
Combining Balance Sheet (Continued)
Other Governmental Funds
September 30, 2023

Stabilization	Developer Capital Fees	Court Special Revenue	Other Special Revenue Funds	Total Nonmajor Governmental Funds
$ 6,592,312	$ 4,592,031	$ 164,882	$ 2,915,429	$ 43,605,450
-	-	-	59,313	59,313
-	-	-	2,827,770	2,827,770
-	-	-	34,949	34,949
$ 6,592,312	$ 4,592,031	$ 164,882	$ 5,837,461	$ 46,527,482
$ -	$ 882,000	$ -	$ 26,343	$ 1,488,581
-	-	-	-	800,000
-	882,000	-	26,343	2,288,581
-	-	-	18,736	18,736
-	-	-	2,675,353	2,675,353
-	-	-	2,694,089	2,694,089
-	-	-	34,949	34,949
-	3,710,031	-	2,853,559	22,727,373
-	-	-	103,816	103,816
-	-	164,882	-	164,882
-	-	-	88,660	88,660
-	-	-	36,045	36,045
-	-	-	-	1,378,683
6,592,312	-	-	-	17,010,404
-	-	-	-	-
6,592,312	3,710,031	164,882	3,117,029	41,544,812
$ 6,592,312	$ 4,592,031	$ 164,882	$ 5,837,461	$ 46,527,482

City of Celina, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Other Governmental Funds

For the Fiscal Year Ended September 30, 2023

	Roadway Impact Fees	Capital Equipment Replacement	Capital Acquisition	Capital Projects	Roadway Capital Recovery Fees	Technology
Revenues						
Ad valorem taxes	$ -	$ -	$ -	$ -	$ -	$ -
Sales tax	-	-	-	-	-	-
Special events and donations	-	-	-	-	-	-
Impact and capital recovery fees	2,588,632	-	-	-	2,236,805	-
Other income	-	-	-	-	79,855	423,150
Interest	288,083	166,172	122,036	-	284,236	33,107
Federal, state, and local grants	-	-	-	-	-	-
Total revenues	2,876,715	166,172	122,036	-	2,600,896	456,257
Expenditures						
Current						
Administration	-	-	253,457	-	-	75,947
Development services	-	-	-	-	164,078	-
Police department	-	-	-	-	-	-
Downtown project	-	-	-	-	-	-
Capital Outlay	178,421	740,040	114,396	-	1,460,813	-
Total expenditures	178,421	740,040	367,853	-	1,624,891	75,947
Excess (deficiency) of revenues over (under) expenditures	2,698,294	(573,868)	(245,817)	-	976,005	380,310
Other Financing Sources (Uses)						
Transfers in	-	845,915	2,700,000	-	-	300,000
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	845,915	2,700,000	-	-	300,000
Net Change in Fund Balances	2,698,294	272,047	2,454,183	-	976,005	680,310
Fund Balances, Beginning of Year	5,747,847	4,586,872	3,104,990	-	6,741,637	698,373
Fund Balances, End of Year	$ 8,446,141	$ 4,858,919	$ 5,559,173	$ -	$ 7,717,642	$ 1,378,683

City of Celina, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)

Other Governmental Funds

For the Fiscal Year Ended September 30, 2023

Stabilization	Developer Capital Fees	Court Special Revenue	Other Special Revenue Funds	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ 384,127	$ 384,127
-	-	-	142,026	142,026
-	-	-	114,809	114,809
-	2,543,500	-	-	7,368,937
-	-	19,811	1,229,365	1,752,181
79,058	117,081	5,592	103,287	1,198,652
-	-	-	78,212	78,212
79,058	2,660,581	25,403	2,051,826	11,038,944
-	-	9,367	264,444	603,215
-	1,542,491	-	-	1,706,569
-	-	-	112,932	112,932
-	-	-	75,660	75,660
-	-	-	450,798	2,944,468
-	1,542,491	9,367	903,834	5,442,844
79,058	1,118,090	16,036	1,147,992	5,596,100
5,000,000	750,000	-	-	9,595,915
-	-	-	(185,602)	(185,602)
5,000,000	750,000	-	(185,602)	9,410,313
5,079,058	1,868,090	16,036	962,390	15,006,413
1,513,254	1,841,941	148,846	2,154,639	26,538,399
$ 6,592,312	$ 3,710,031	$ 164,882	$ 3,117,029	$ 41,544,812

Life Connected.

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Discretely Presented Component Units
Financial Statements

Life Connected.

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City of Celina, Texas
Balance Sheet – Celina Economic Development Corporation
Discretely Presented Component Unit
September 30, 2023

Assets	
Cash and cash equivalents	$ 3,181,604
Sales tax receivable	375,285
Total assets	3,556,889
Liabilities	
Accounts payable	34,271
Accrued salaries and benefits	7,808
Total liabilities	42,079
Fund Balance/Net Position	
Restricted for economic development	3,514,810
Total fund balance/net position	$ 3,514,810

City of Celina, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balance

Celina Economic Development Corporation

Discretely Presented Component Unit

Year Ended September 30, 2023

Revenues		
Sales tax	$	1,972,568
Miscellaneous		15,582
Unrestricted investment earnings		54,740
Total general revenues		2,042,890
Expenditures		
Economic development		1,311,763
Total expenditures		1,311,763
Change in Fund Balance		731,127
Fund Balance – Beginning of Year		2,783,683
Fund Balance – End of Year	$	3,514,810
Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balance	$	731,127
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position		296,681
Change in net position of governmental activities	$	1,027,808

City of Celina, Texas
Balance Sheet - Celina Community Development Corporation
Discretely Presented Component Unit
September 30, 2023

Assets	
Cash and cash equivalents	$ 3,975,115
Sales tax receivable	375,285
Total assets	4,350,400
Fund Balance/Net Position	
Restricted for economic development	4,350,400
Total fund balance/net position	$ 4,350,400

City of Celina, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balance
Celina Community Development Corporation
Discretely Presented Component Unit
Year Ended September 30, 2023

Revenues		
Sales tax	$	1,972,568
Unrestricted investment earnings		114,755
Total general revenues		2,087,323
Expenditures		
Community development		69,761
Total expenditures		69,761
Change in Fund Balance/Net Position		2,017,562
Fund Balance/Net Position – Beginning of Year		2,332,838
Fund Balance/Net Position – End of Year	$	4,350,400

Statistical Section (Unaudited)

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Statistical Section

This section of the City of Celina's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the City's overall financial health. This information has not been audited by the independent auditor.

Contents	**Table Numbers**
Financial Trends These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1-5
Revenue Capacity These tables contain information to help the reader assess the City's two most significant revenue sources-property and sales taxes.	6-9
Debt Capacity These tables present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	10-14
Economic and Demographic Information These tables offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	15-16
Operating Information These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides.	17-19

Source: Unless otherwise noted, the information in these tables is derived from the City's past audit reports for the relevant year.

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City of Celina, Texas
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

Table 1

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net Investment in capital assets	$ 7,667,954	$ 8,693,312	$ 13,138,978	$ 13,184,763	$ 32,376,605	$ 20,672,418	$ 51,424,407	$ 83,742,420	$ 102,946,241	$ 145,178,585
Restricted	4,535,511	4,675,044	5,340,173	5,848,514	6,361,057	3,979,639	4,925,334	13,176,802	19,290,037	22,571,293
Unrestricted	3,900,225	6,325,979	7,893,951	11,575,127	10,218,998	30,927,875	25,553,066	28,745,889	39,072,195	55,664,236
Total governmental activities net position	16,103,690	19,694,335	26,373,102	30,608,404	48,956,660	55,579,932	81,902,807	125,665,111	161,308,473	223,414,114
Business-type Activities										
Net Investment in capital assets	9,589,572	11,575,656	12,078,113	13,079,265	18,675,162	30,124,340	54,394,479	55,835,300	89,549,445	165,996,622
Restricted	-	-	-	-	-	-	44,092	56,065	152,009	-
Unrestricted	1,103,837	2,120,144	1,733,702	3,171,397	5,862,371	10,028,343	16,804,092	50,683,069	60,358,870	79,776,835
Total business-type activities net position	10,693,409	13,695,800	13,811,815	16,250,662	24,537,533	40,152,683	71,242,663	106,574,434	150,060,324	245,773,457
Primary Government										
Net Investment in capital assets	17,257,526	20,268,968	25,217,091	26,264,028	51,051,767	50,796,758	105,818,886	139,577,720	192,495,686	311,175,207
Restricted	4,535,511	4,675,044	5,340,173	5,848,514	6,361,057	3,979,639	4,969,426	9,401,692	19,442,046	22,571,293
Unrestricted	5,004,062	8,446,123	9,627,653	14,746,524	16,081,369	40,956,218	42,357,158	83,260,133	99,431,065	135,441,071
Total primary government net position	$ 26,797,099	$ 33,390,135	$ 40,184,917	$ 46,859,066	$ 73,494,193	$ 95,732,615	$153,145,470	$ 232,239,545	$ 311,368,797	$ 469,187,571

City of Celina, Texas
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

Table 2

	Fiscal Year				
	2014	2015	2016	2017	2018
Expenses					
Governmental activities					
Administration	$ 1,203,576	$ 1,170,613	$ 1,592,794	$ 2,624,918	$ 3,305,724
Judicial	88,531	84,853	102,803	155,521	173,809
Fire and emergency services	1,213,416	1,453,477	1,957,077	2,414,778	2,898,525
Development services	708,220	529,067	683,599	887,990	1,812,852
Public works	725,922	824,527	1,080,661	1,104,523	5,760,436
Police Department	806,191	1,114,266	1,532,829	1,877,574	2,598,590
Parks and Recreation	448,202	886,212	1,084,077	1,263,538	1,284,123
Library	134,815	140,104	152,664	169,326	230,781
Infrastructure	202,699	198,868	211,300	353,119	823,826
Bond issuance costs	26,869	70,510	65,279	55,176	59,285
Main street program	72,326	-	-	-	-
Interest and fiscal charges	585,469	635,090	710,249	787,001	840,645
Total governmental activities expenses	6,216,236	7,107,587	9,173,332	11,693,464	19,788,596
Business Type Activities					
Water, sewer and sanitation services	3,496,782	4,284,806	8,508,496	10,811,473	12,887,075
Total business-type activities expenses	3,496,782	4,284,806	8,508,496	10,811,473	12,887,075
Total primary government expenses	9,713,018	11,392,393	17,681,828	22,504,937	32,675,671
Program Revenues					
Governmental activities					
Charges for services	2,082,694	3,755,293	4,265,112	6,391,343	7,865,830
Operating grants/contributions	61,432	214,115	368,784	356,258	201,610
Capital grants/contributions	2,403,093	625,237	2,578,809	1,011,625	20,365,689
Total governmental activities program revenues	4,547,219	4,594,645	7,212,705	7,759,226	28,433,129
Business-type Activities					
Charges for services					
Water, sewer and sanitation services	6,154,311	7,518,331	10,057,113	13,590,654	16,506,407
Capital grants/contributions	-	45,289	800,100	-	3,432,870
Total business-type activities program revenues	6,154,311	7,563,620	10,857,213	13,590,654	19,939,277
Total primary governmental program revenues	10,701,530	12,158,265	18,069,918	21,349,880	48,372,406
Net (Expense) Revenues					
Governmental activities	(1,668,747)	(2,512,942)	(1,960,627)	(3,934,238)	8,644,533
Business-type activities	2,657,529	3,278,811	2,348,717	2,779,181	7,052,202
Total primary government program revenues net expenses	988,782	765,869	388,090	(1,155,057)	15,696,735
General Revenues and Other Changes in Net Position					
Governmental Activities					
Taxes					
Ad valorem	3,333,015	3,739,841	4,458,401	5,362,919	7,464,462
Sales	505,221	603,949	733,881	958,350	1,150,663
Franchise	320,805	364,763	429,102	370,949	420,352
Other	817,733	438,820	671,241	985,322	1,613,911
Unrestricted investment earnings	-	-	-	-	-
Transfers	348,050	395,000	2,346,769	492,000	(907,706)
Contributions from component unit	-	-	-	-	-
Total governmental activities	5,324,824	5,542,373	8,639,394	8,169,540	9,741,682
Business-type activities					
Other	11,703	39,470	114,067	151,666	332,227
Grants not restricted to specific programs	-	-	-	-	-
Transfers	(348,050)	(395,000)	(2,346,769)	(492,000)	907,706
Total business-type activities	(336,347)	(355,530)	(2,232,702)	(340,334)	1,239,933
Total primary governmental revenues	$ 4,988,477	$ 5,186,843	$ 6,406,692	$ 7,829,206	$ 10,981,615
Changes in Net Position					
Governmental activities	$ 3,656,077	$ 3,029,431	$ 6,678,767	$ 4,235,302	$ 18,386,215
Business-type activities	2,321,182	2,923,281	116,015	2,438,847	8,292,135
Total primary government program net expenses	$ 5,977,259	$ 5,952,712	$ 6,794,782	$ 6,674,149	$ 26,678,350

City of Celina, Texas
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

Table 2 (Continued)

	Fiscal Year				
	2019	2020	2021	2022	2023
Expenses					
Governmental activities					
Administration	$ 3,613,202	$ 4,676,077	$ 5,295,666	$ 6,478,575	$ 13,886,440
Judicial	169,960	166,725	204,724	193,302	209,350
Fire and emergency services	4,516,435	5,406,951	5,912,755	6,620,651	8,455,931
Development services	2,844,946	6,177,019	7,529,485	8,535,165	10,758,050
Public works	1,625,818	2,888,942	2,636,498	2,097,180	2,714,742
Police Department	3,219,436	3,729,439	4,627,454	5,178,526	7,388,351
Parks and Recreation	1,480,614	1,853,913	1,886,673	1,883,123	3,043,497
Library	231,803	252,721	244,058	317,775	389,445
Infrastructure	1,010,684	-	-	-	-
Bond issuance costs	61,612	-	828,202	301,079	491,915
Main street program	1,953,396	142,972	75,898	36,325	75,660
Interest and fiscal charges	-	1,752,515	1,492,701	3,333,335	4,481,732
Total governmental activities expenses	20,727,906	27,047,274	30,734,113	34,975,036	51,895,113
Business Type Activities					
Water, sewer and sanitation services	14,811,593	17,188,107	19,876,311	22,337,443	30,063,285
Total business-type activities expenses	14,811,593	17,188,107	19,876,311	22,337,443	30,063,285
Total primary government expenses	35,539,499	44,235,381	50,610,424	57,312,479	81,958,398
Program Revenues					
Governmental Activities					
Charges for Services	11,837,197	13,048,290	25,842,056	32,332,998	36,442,384
Operating Grants/Contributions	1,291,079	2,764,624	3,636,696	2,347,930	862,378
Capital Grants/Contributions	180,890	15,870,800	19,822,044	10,081,541	38,619,344
Total Governmental Activities Program Revenues	13,309,166	31,683,714	49,300,796	44,762,469	75,924,106
Business-type Activities					
Charges for services					
Water, sewer and sanitation services	21,133,549	26,722,197	41,304,183	43,119,619	43,967,567
Capital grants/contributions	-	23,622,709	13,904,905	22,459,804	73,576,255
Total business-type activities program revenues	21,133,549	50,344,906	55,209,088	65,579,423	117,543,822
Total primary governmental program revenues	34,442,715	82,028,620	104,509,884	110,341,892	193,467,928
Net (Expense) Revenues					
Governmental activities	(7,418,740)	4,636,440	18,566,683	9,787,433	24,028,993
Business-type activities	6,321,956	33,156,799	35,332,777	43,241,980	87,480,537
Total primary government program revenues net expenses	(1,096,784)	37,793,239	53,899,460	53,029,413	111,509,530
General Revenues and Other Changes in Net Position					
Governmental Activities					
Taxes					
Ad valorem	9,856,619	10,679,289	12,892,450	16,242,263	24,505,056
Sales	1,248,168	1,823,693	2,652,260	3,213,081	4,039,188
Franchise	516,777	602,603	602,037	783,188	1,003,967
Other	2,027,855	4,654,145	8,714,771	3,951,136	2,619,358
Unrestricted investment earnings	-	-	-	917,556	6,083,247
Transfers	527,000	2,752,921	334,103	748,705	(174,168)
Contributions from component unit	-	1,173,784	-	-	-
Total governmental activities	14,176,419	21,686,435	25,195,621	25,855,929	38,076,648
Business-type activities					
Other	1,124,765	686,102	333,097	776,837	4,811,448
Grants not restricted to specific programs	-	-	-	215,778	3,246,980
Transfers	(527,000)	(2,752,921)	(334,103)	(748,705)	174,168
Total business-type activities	597,765	(2,066,819)	(1,006)	243,910	8,232,596
Total primary governmental revenues	$ 14,774,184	$ 19,619,616	$ 25,194,615	$ 26,099,839	$ 46,309,244
Changes in Net Position					
Governmental activities	$ 6,757,679	$ 26,322,875	$ 43,762,304	$ 35,643,362	$ 62,105,641
Business-type activities	6,919,721	31,089,980	35,331,771	43,485,890	95,713,133
Total primary government program net expenses	$ 13,677,400	$ 57,412,855	$ 79,094,075	$ 79,129,252	$ 157,818,774

City of Celina, Texas

Government Activities – Tax Revenues by Source
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

Table 3

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Total
2014	$ 3,314,591	$ 505,221	$ 320,805	$ 4,140,617
2015	$ 3,754,816	$ 603,949	$ 364,763	$ 4,723,528
2016	$ 4,453,862	$ 733,881	$ 429,102	$ 5,616,845
2017	$ 5,374,888	$ 958,350	$ 370,949	$ 6,704,187
2018	$ 7,454,528	$ 1,150,663	$ 420,352	$ 9,025,543
2019	$ 9,856,619	$ 1,248,168	$ 516,777	$ 11,621,564
2020	$ 10,679,289	$ 1,823,693	$ 602,603	$ 13,105,585
2021	$ 12,892,450	$ 2,652,260	$ 602,037	$ 16,146,747
2022	$ 16,242,263	$ 3,213,081	$ 783,188	$ 20,238,532
2023	$ 24,505,056	$ 4,039,188	$ 1,003,967	$ 29,548,211

City of Celina, Texas
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

Table 4

	Fiscal Year				
	2014	2015	2016	2017	2018
General Fund					
Nonspendable					
Prepaids	$ 20,784	$ 19,941	$ 2,230	$ 3,013	$ 7,322
Unassigned	3,037,176	4,585,888	7,130,005	6,562,842	8,903,854
Total general fund	$ 3,057,960	$ 4,605,829	$ 7,132,235	$ 6,565,855	$ 8,911,176
All Other Government Funds					
Nonspendable					
Prepaids and inventory	$ -	$ -	$ -	$ -	$ -
Restricted for					
Debt service	541,370	646,075	901,524	1,369,343	1,813,530
Capital projects	10,880,463	7,021,861	7,083,988	13,033,951	29,063,864
Law enforcement	-	-	-	-	-
Courts	-	-	-	-	-
Grants	-	-	-	-	-
PEG	-	-	-	-	-
Hotel	-	-	-	-	-
Technology	-	-	-	-	-
Assigned for use in specific funds	-	-	-	-	-
Unassigned	-	-	-	168,342	623,156
Total all other governmental funds	$ 11,421,833	$ 7,667,936	$ 7,985,512	$ 14,571,636	$ 31,500,550

City of Celina, Texas
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

Table 4 (Continued)

	Fiscal Year				
	2019	2020	2021	2022	2023
General Fund					
Nonspendable					
Prepaids and inventory	$ 14,827	$ 5,786	$ 227,911	$ 41,181	$ 254,639
Unassigned	10,924,630	8,860,057	16,328,612	23,421,150	25,102,006
Total general fund	$ 10,939,457	$ 8,865,843	$ 16,556,523	$ 23,462,331	$ 25,356,645
All Other Government Funds					
Nonspendable					
Prepaids and inventory	$ -	$ -	$ 873,057	$ 894,610	$ 34,949
Restricted for					
Debt service	2,497,665	2,228,648	2,166,835	1,968,883	3,689,413
Capital projects	30,026,311	19,963,891	65,461,702	87,464,361	89,656,869
Law enforcement	22,542	25,833	36,620	120,031	103,816
Courts	114,323	122,992	131,949	148,846	164,882
Grants	10,948	25,727	12,955	-	-
PEG	90,354	46,708	58,548	68,964	88,660
Hotel	-	12,823	14,835	23,665	36,045
Technology	-	-	548,150	698,373	1,378,683
Assigned for use in specific funds	7,973,971	9,269,049	10,935,124	16,040,078	24,570,613
Unassigned	58,548	58,548	-	-	-
Total all other governmental funds	$ 40,794,662	$ 31,754,219	$ 80,239,775	$ 107,427,811	$ 119,723,930

City of Celina, Texas
Change in Fund Balances – Governmental Funds
Last Ten Fiscal Years (Unaudited)

Table 5

	Fiscal Year				
	2014	2015	2016	2017	2018
Revenues					
Property taxes	$ 3,314,591	$ 3,754,816	$ 4,453,862	$ 5,374,888	$ 7,454,528
Franchise taxes	320,805	364,763	429,102	370,949	420,352
Sales taxes	505,221	603,949	733,881	958,350	1,150,663
Permits/inspection fees	1,321,510	1,767,856	2,357,289	3,959,914	5,982,027
Component unit contributions	170,000	320,000	200,000	200,000	200,000
Development fees	239,739	924,249	509,870	1,245,943	119,344
Developer contributions	-	-	-	-	-
Fire Department/EMS fees	196,753	241,005	910,360	817,691	1,031,818
Fines	155,962	254,370	283,758	209,806	142,332
Special events and donations	305,430	221,696	373,421	250,214	165,188
Park fees	169,000	602,626	2,215,582	1,178,028	1,624,159
Impact and capital recovery fees	-	-	-	-	-
Other income	296,867	92,349	397,657	508,311	1,427,017
Interest income	90,424	111,901	111,776	183,077	436,017
Grants	2,404,258	519,701	518,784	1,570	1,610
Total revenues	9,490,560	9,779,281	13,495,342	15,258,741	20,155,055
Expenditures					
Administration	1,106,865	1,133,574	1,458,673	2,433,180	3,036,201
Judicial	88,531	84,853	99,803	153,213	172,610
Fire and EMS	1,083,464	1,316,275	1,731,896	2,041,407	2,445,213
Development services	702,862	524,712	675,267	868,862	1,787,306
Public works	505,659	806,788	1,023,572	943,895	5,604,030
Police department	770,254	1,046,160	1,414,488	1,688,094	2,374,037
Parks and Rec	443,625	667,908	819,539	959,343	978,479
Library	135,315	140,857	153,752	165,768	230,090
Main street	26,869	70,510	65,279	55,176	59,285
Capital outlay	1,421,925	5,253,351	8,542,536	3,656,718	3,837,902
Debt service					
Principal retirement	510,445	678,366	841,124	1,005,685	1,436,110
Interest and fiscal charges	610,693	669,480	724,025	782,253	908,016
Bond issuance costs	72,326	-	-	74,569	146,002
Total expenditures	7,478,833	12,392,834	17,549,954	14,828,163	23,015,281
Excess (deficiency) of revenues over (under) expenditures	2,011,727	(2,613,553)	(4,054,612)	430,578	(2,860,226)
Other Financing Sources (Uses)					
Sales of Assets	15,279	12,525	41,825	634,597	-
Issuance of leases	-	-	-	-	-
Bond premium	-	-	-	-	-
Issuance of refunding bonds	-	-	-	-	-
Payments to refunding bond escrow agent	-	-	-	-	-
Note/Bond Proceeds	3,257,485	-	4,510,000	4,462,569	23,042,167
Contributions from component unit	-	-	-	-	-
Capital contributions	-	-	-	-	-
Transfers in (out)	348,050	395,000	2,346,769	492,000	(907,706)
Total other financing sources (uses)	3,620,814	407,525	6,898,594	5,589,166	22,134,461
Net Changes in Fund Balances	$ 5,632,541	$ (2,206,028)	$ 2,843,982	$ 6,019,744	$ 19,274,235
Debt Service as a percentage of Non-Capital Expenditures	23.05%	23.27%	21.03%	19.21%	14.05%

City of Celina, Texas

Change in Fund Balances – Governmental Funds

Last Ten Fiscal Years (Unaudited)

Table 5 (Continued)

	Fiscal Year				
	2019	2020	2021	2022	2023
Revenues					
Property taxes	$ 9,864,233	$ 10,747,355	$ 12,777,734	$ 16,208,733	$ 24,361,749
Franchise taxes	516,777	602,603	602,037	783,188	1,003,967
Sales taxes	1,248,168	1,823,693	2,652,260	3,213,081	4,039,188
Permits/inspection fees	6,716,762	8,643,113	16,190,503	17,466,229	21,831,320
Component unit contributions	360,000	-	-	-	-
Development fees	110,486	232,805	2,737,506	865,154	448,342
Developer contributions	180,890	119,478	111,126	103,646	136,371
Fire Department/EMS fees	1,075,263	1,627,366	1,214,615	2,575,378	2,466,362
Fines	137,299	138,339	95,995	169,647	229,575
Special events and donations	129,814	131,482	281,433	279,990	555,226
Park fees	2,855,844	2,343,250	5,295,776	4,565,744	3,446,693
Impact and capital recovery fees	-	-	6,429,565	6,378,222	7,368,937
Other income	1,765,739	3,643,263	1,918,669	3,935,550	2,708,083
Interest income	1,031,375	995,261	366,537	917,556	6,083,247
Grants	808,276	2,764,624	3,636,696	2,347,930	862,378
Total revenues	26,800,926	33,812,632	54,310,452	59,810,048	75,541,438
Expenditures					
Administration	3,451,032	4,252,519	4,561,954	6,684,391	10,682,222
Judicial	166,197	163,761	181,964	193,302	209,350
Fire and EMS	3,930,238	4,490,395	4,974,980	5,705,911	7,457,252
Development services	2,799,375	3,674,903	5,211,399	5,052,683	7,324,358
Public works	1,411,826	2,707,462	2,388,149	2,085,811	2,672,084
Police department	2,935,005	3,513,316	4,339,652	5,114,496	6,808,085
Parks and Rec	1,104,513	1,376,035	1,789,800	1,623,183	2,593,832
Library	229,797	245,418	242,967	296,204	366,094
Main street	61,612	62,944	75,898	36,325	75,660
Capital outlay	14,435,482	25,537,609	34,750,342	28,047,957	72,740,029
Debt service					
Principal retirement	2,028,202	2,912,011	3,340,200	2,605,000	3,621,453
Interest and fiscal charges	2,151,331	2,057,217	2,012,300	4,063,385	5,177,070
Bond issuance costs	-	-	828,202	301,079	491,915
Total expenditures	34,704,610	50,993,590	64,697,807	61,809,727	120,219,404
Excess (deficiency) of revenues over (under) expenditures	(7,903,684)	(17,180,958)	(10,387,355)	(199,679)	(44,677,966)
Other Financing Sources (Uses)					
Sales of Assets	-	-	-	36,221	-
Issuance of leases	340,818	-	-	-	538,552
Bond premium	-	-	6,595,450	4,033,597	4,611,356
Issuance of refunding bonds	-	-	7,290,000	-	-
Payments to refunding bond escrow agent	-	-	(7,882,414)	-	-
Note/Bond Proceeds	18,014,140	-	60,285,000	31,275,000	53,892,659
Contributions from component unit	-	1,173,784	-	-	
Capital contributions	-	140,196	-	-	
Transfers in (out)	527,000	2,752,921	334,103	748,705	(174,168)
Total other financing sources (uses)	18,881,958	4,066,901	66,622,139	36,093,523	58,868,399
Net Changes in Fund Balances	$ 10,978,274	$ (13,114,057)	$ 56,234,784	$ 34,093,844	$ 14,190,433
Debt Service as a percentage of Non-Capital Expenditures	25.98%	19.52%	17.87%	19.81%	18.51%

City of Celina, Texas
Assessed Value of Taxable Property
(Per $100 of Assessed Value)
Last Ten Fiscal Years (Unaudited)

Table 6

Fiscal Year	Land/Improvements	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value[a]
2014	$ 527,994,375	$ 25,373,941	$ 44,142,297	$ 509,226,019
2015	$ 575,171,296	$ 29,266,740	$ 48,889,169	$ 555,548,867
2016	$ 734,250,874	$ 34,259,626	$ 106,840,408	$ 661,670,092
2017	$ 951,809,128	$ 39,416,023	$ 117,402,829	$ 873,822,322
2018	$ 1,191,727,090	$ 49,306,703	$ 132,932,108	$ 1,108,101,685
2019	$ 1,641,821,879	$ 57,224,752	$ 194,483,109	$ 1,504,563,522
2020	$ 2,013,074,011	$ 71,064,516	$ 217,620,776	$ 1,866,517,751
2021	$ 2,518,491,508	$ 79,119,287	$ 288,467,439	$ 2,309,143,356
2022	$ 3,252,195,608	$ 93,068,477	$ 378,289,093	$ 2,966,975,002
2023	$ 5,322,159,979	$ 109,829,018	$ 959,732,550	$ 4,472,256,447

Source: Collin County Central Appraisal District and Denton County Appraisal District

Notes: Property is reassessed annually at actual value; therefore, the assessed values are equal to the actual values. Tax rates are per $100 of assessed value.

[a] Includes adjustments to certified rolls. Fiscal Year reports Certified Tax Report from prior calendar year

City of Celina, Texas
Direct and Overlapping Property Tax Rates
(Per $100 of Assessed Value)
Last Ten Fiscal Years (Unaudited)

Table 7

	City Direct Rates			Overlapping Rates					
Fiscal Year	Operating/ General Rate	General Obligation Debt Service	Total Direct	Celina ISD	Prosper ISD	Pilot Point ISD	Collin County	Denton County	Collin County Community College
2014	0.4652	0.1834	0.6486	1.6400	1.6700	1.3700	0.2375	0.2722	0.0836
2015	0.4327	0.2123	0.6450	1.6400	1.6700	1.3700	0.2350	0.2620	0.0820
2016	0.4335	0.2115	0.6450	1.6400	1.6700	1.3700	0.2250	0.2484	0.0820
2017	0.4233	0.2217	0.6450	1.6400	1.6700	1.3700	0.2250	0.2378	0.0820
2018	0.4278	0.2172	0.6450	1.6400	1.6700	1.3700	0.1922	0.2255	0.0798
2019	0.4537	0.1913	0.6450	1.6400	1.6700	1.3700	0.1808	0.2253	0.0812
2020	0.4531	0.1919	0.6450	1.5489	1.5684	1.2684	0.1750	0.2250	0.0812
2021	0.4294	0.2156	0.6450	1.4832	1.4927	1.2186	0.1725	0.2331	0.0812
2022	0.4294	0.2156	0.6450	1.4409	1.4603	1.1603	0.1681	0.2331	0.0812
2023	0.3727	0.2621	0.6348	1.4235	1.4429	1.2117	0.1524	0.2175	0.0812

Source: Collin County Appraisal District and Denton County Appraisal District

City of Celina, Texas
Principal Property Tax Payers
Current Year and Nine Years Ago (Unaudited)
(Total $)

Table 8

	2023				2014		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
CRP/AR Prose Frontier Owner LP	$ 50,000,000	1	1.12%	DR Horton - Texas Ltd	$ 6,706,619	1	1.32%
Pulte Homes of Texas	41,682,680	2	0.93%	Chemtrade Sulfate Chemicals I	5,037,841	2	0.99%
Celina Residences LLC	39,576,878	3	0.88%	Celina Town Center Ltd	4,705,757	3	0.92%
Nexmetro Parkway LP	29,251,242	4	0.65%	TXI Operations LP	4,023,378	4	0.79%
Parchaus Celina LP	28,471,390	5	0.64%	Brookshire Grocery Company	3,741,435	5	0.73%
One Preston Station LP	28,403,481	6	0.64%	SRB Partners LLC	3,739,743	6	0.73%
M/I Homes of DFW LLC	27,665,308	7	0.62%	J Evans Family PTRS	3,495,789	7	0.69%
VPTM Cross Creek LB LLC	27,506,125	8	0.62%	Texas Star Bank	3,297,976	8	0.65%
Methodist Hospitals of Dallas	22,871,029	9	0.51%	Bobcat Crossing Ltd	3,202,268	9	0.63%
Parks at Wilson Creek LP	22,468,095	10	0.50%	Burlington Northern	3,197,510	10	0.63%
Total	$ 317,896,228		7.11%	Total	$41,148,316		8.08%

Source: Collin County Appraisal District

Notes: Tax Payers are assessed on January 1, 2022, for the 2023 fiscal year and January 1, 2013, for the 2014 fiscal year.

The majority of the property taxes are collected in Collin County; therefore, those principal taxpayers are shown above.

City of Celina, Texas
Property Tax Levies and Collections
(Unaudited)

Table 9

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2014	$ 3,324,379	$ 3,267,776	98.30%	$ 59,620	3,324,379	100.00%
2015	$ 3,776,218	$ 3,629,138	96.11%	$ 56,603	3,776,218	100.00%
2016	$ 4,483,759	$ 4,261,734	95.05%	$ 147,080	4,483,759	100.00%
2017	$ 5,579,944	$ 5,396,743	96.72%	$ 222,025	5,579,944	100.00%
2018	$ 7,659,627	$ 7,129,348	93.08%	$ 183,201	7,659,628	100.00%
2019	$ 10,770,158	$ 10,292,771	95.57%	$ 530,280	10,770,157	100.00%
2020	$ 12,058,075	$ 11,897,363	98.67%	$ 160,712	11,990,656	99.44%
2021	$ 14,855,572	$ 14,758,839	99.35%	$ 96,733	14,758,839	99.35%
2022	$ 18,919,351	$ 18,838,343	99.57%	$ 81,008	18,838,343	99.57%
2023	$ 27,837,667	$ 27,740,998	99.65%	$ -	27,740,998	99.65%

Source: Collin County Tax Assessor Collector and Denton County Tax Assessor Collector

Note: A portion of the above property tax goes toward repayment of Special Assessment Revenue Bonds related to the Public Improvement Districts (PID) and is not recorded in the City's financial statements.

City of Celina, Texas

Ratio of Outstanding Debt by Type Last Ten Fiscal Years
(Unaudited)

Table 10

	Governmental Activities						Business-Type Activities							
Fiscal Year	General Obligation Bonds	Certificate of Obligation	Capital Lease	Lease/SBITA Liability	Bond Premiums	Other Obligations	General Obligation Bonds	Certificate of Obligation	Bond Premiums	Other Obligations	Note Payable	Total Primary Government	% of Personal Income	Per Capita*
2014	4,952,607	14,531,170	-	-	-	12,228	5,127,393	4,393,829	-	-	-	29,017,227	7.55%	$ 4,321
2015	4,606,322	14,211,317	-	-	-	-	4,558,678	5,798,682	-	45,957	-	29,220,956	7.03%	$ 4,184
2016	4,249,490	18,237,025	-	-	-	-	3,965,510	26,047,975	-	18,704	-	52,518,704	N/A	$ 6,836
2017	3,880,431	22,013,573	-	-	-	-	3,359,570	30,731,425	-	-	-	59,984,999	15.95%	$ 5,818
2018	9,342,795	36,860,000	-	-	-	-	2,185,000	59,620,000	-	-	-	108,007,795	20.04%	$ 8,251
2019	7,995,000	52,890,000	-	-	-	-	1,750,000	76,675,000	-	-	-	139,310,000	22.28%	$ 7,880
2020	7,115,000	50,940,200	185,405	-	2,816,179	-	1,305,000	74,769,800	4,331,683	-	1,151,000	142,614,267	15.90%	$ 6,655
2021	10,860,000	103,695,000	98,876	-	8,840,984	-	845,000	101,080,000	6,068,665	-	925,526	232,414,051	20.67%	$ 9,225
2022	10,010,000	133,215,000	-	-	11,899,585	-	430,000	129,340,000	9,359,301	-	700,051	294,953,937	24.29%	$ 9,276
2023	9,140,000	184,502,659	-	523,319	15,231,815	-	-	161,487,341	11,522,361	-	18,000,000	400,407,495	20.74%	$ 11,431

Source: City of Celina Audit Reports
N/A - Information not available for the most current year

Notes: Details regarding the City's outstanding debt is found in the notes to the financial statements. Bond premiums and Capital Lease were included beginning in fiscal year 2020. Bond premiums will be included on a go forward basis. Capital lease was removed with the adoption of GASB 87.

Lease liability was included beginning in fiscal year 2022 and will be included on a go forward basis.

Subscription liability was included beginning in fiscal year 2023 and will be included on a go forward basis.

*See Table 15 for personal income and population data

City of Celina, Texas

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years
(Unaudited)

Table 11

Fiscal Year	Assessed Property Value (1)	Gross Bonded Debt (2)	% Bonded Debt to Assessed Property Value	Bonded Debt Per Capita
2014	$ 509,226,019	29,017,227	5.70%	$ 4,321
2015	$ 555,548,867	29,220,956	5.26%	$ 4,184
2016	$ 661,670,092	52,518,704	7.94%	$ 6,836
2017	$ 873,822,322	59,984,999	6.86%	$ 5,818
2018	$ 1,108,101,685	108,007,795	9.75%	$ 8,251
2019	$ 1,504,563,522	139,310,000	9.26%	$ 7,880
2020	$ 1,866,517,751	141,463,267	7.58%	$ 6,601
2021	$ 2,309,143,356	231,488,525	10.02%	$ 9,188
2022	$ 2,966,975,002	294,253,886	9.92%	$ 9,254
2023	$ 4,472,256,447	381,884,176	8.54%	$ 10,902

Source: (1) Collin County Appraisal District/Denton County Appraisal District

(2) Schedule of Bonds Payable and Total bonds for fiscal year

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements. The amounts presented are net of bond premiums.

See Table 15 for population data.

City of Celina, Texas
Legal Debt Margin Information Last Ten Fiscal Years
(Unaudited)

Table 12

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Tax rate limit	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50
Current tax rate	0.6486	0.6450	0.6450	0.6450	0.6450	0.6450	0.6450	0.6450	0.6450	0.6348
Available tax rate	$ 1.85	$ 1.86	$ 1.86	$ 1.86	$ 1.86	$ 1.86	$ 1.86	$ 1.86	$ 1.86	$ 1.87

Notes: The City Charter of the City of Celina, Texas does not provide for a debt limit. Under provisions of state law, the maximum tax rate is limited to $2.50 per $100 assessed valuation. No direct bond debt limitation is imposed on the City under current state law.

City of Celina, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2022
(Unaudited)

Table 13

Governmental Unit	Gross Bonded Debt	% of Debt Applicable to Area[a]	Celina Share of Overlapping Debt
Debt Repaid with Property Taxes			
Celina ISD	$ 394,670,000	70.53%	$ 278,360,751
Collin County	721,825,000	1.89%	13,642,493
Collin County CCD	480,350,000	1.89%	9,078,615
Denton County	624,655,000	0.40%	2,498,620
Pilot Point ISD	45,445,000	0.03%	13,634
Prosper ISD	1,585,950,239	12.39%	196,499,235
Subtotal, overlapping debt	3,852,895,239		500,093,347
City of Celina (direct debt)	381,884,176	100%	381,884,176
Total direct and overlapping debt			$ 881,977,523

Notes: Details regarding the City's outstanding debt is found in the notes to the financial statements. The amounts presented are net of bond premiums.

[a] The percentage of overlapping debt applicable is estimated using taxable assessed property values (before freeze loss). Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

City of Celina, Texas
Pledged Revenue Coverage
As of September 30, 2023 (Unaudited)
Last Ten Fiscal Years

Table 14

Water and Sewer System Revenue Bonds

Fiscal Year	Total Revenue[a]	Less: Operating Expense[b]	Net Available Revenue	Annual Requirement[c]	Times Coverage
2014	$ 6,164,464	$ 2,690,720	$ 3,473,744	$ 808,862	4.29
2015	$ 7,557,801	$ 3,326,739	$ 4,231,062	$ 1,158,447	3.65
2016	$ 10,171,180	$ 7,059,651	$ 3,111,529	$ 1,697,450	1.83
2017	$ 13,742,320	$ 8,982,382	$ 4,759,938	$ 1,892,430	2.52
2018	$ 20,271,504	$ 10,604,055	$ 9,667,449	$ 1,520,733	6.36
2019	$ 22,258,314	$ 10,927,759	$ 11,330,555	$ 3,398,343	3.33
2020	$ 27,408,299	$ 11,652,539	$ 15,755,760	$ 4,880,253	3.23
2021	$ 41,637,280	$ 14,304,459	$ 27,332,821	$ 7,419,169	2.53
2022	$ 44,328,012	$ 13,891,799	$ 30,436,213	$ 10,442,961	2.91
2023	$ 52,445,995	$ 19,406,039	$ 33,039,956	$ 12,994,745	2.54

[a] Includes operating revenues and investment income

[b] Includes operating expenses minus depreciation

[c] Includes Principal and Interest (represents average annual requirement)

City of Celina, Texas
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Table 15

Fiscal Year	Estimated Population[a]	Personal Income[b]	Per Capita Income[e]	School Enrollment[c]	Unemployment Rate[d]
2014	6,715	$ 384,339,740	$ 57,236	2,075	4.4%
2015	6,984	$ 415,771,488	$ 59,532	2,201	3.6%
2016	7,683	N/A	N/A	2,353	3.8%
2017	10,310	$ 376,036,630	$ 36,473	2,425	3.2%
2018	13,090	$ 538,967,660	$ 41,174	2,568	3.3%
2019	17,680	$ 625,394,640	$ 35,373	2,723	3.3%
2020	21,430	$ 896,974,080	$ 35,373	2,831	3.2%
2021	25,195	$ 1,124,175,705	$ 41,856	3,429	3.4%
2022	31,796	$ 1,214,149,104	$ 49,928	3,932	5.6%
2023	35,028	$ 1,930,918,500	$ 55,125	4,410	3.7%

[a] **Source:** North Central Texas Council of Governments April 2023 publication

[b] **Source:** Personal Income calculated by multiplying estimated population by per capita income.

[c] **Source:** Celina Independent School District

[d] **Source:** Texas Workforce Commission calendar year 2023 for Collin County

[e] **Source:** North Central Council of Governments for 2023

City of Celina, Texas
Top Employers
Fiscal Year Ended September 30, 2023 (Unaudited)

Table 16

2023	
Major Employers in Celina, Texas	
Employer	**# of Employees**
Celina ISD	623
City of Celina	280
Gold Star Team - Keller Williams	191
Settlers Ridge Care Center	120
Brookshire	105
Chemtrade Logistics	30
Texas Seasons Nursery	29
Celina Montessori Academy	28
CAD/CAM Svc Inc	25
Servpro	21

2017	
Major Employers in Celina, Texas	
Employer	**# of Employees**
Celina ISD	330
City of Celina	84
Brookshire	70
Chemtrade Logistics	27
Independent Bank	20
Dickerson	31
Celina Ready Mix	16
Texas Star Bank	10

Source: Respective entities

City of Celina, Texas

Full Time Equivalent City Government Employees by Function/Program

As of September 30, 2023 (Unaudited)

Last Ten Fiscal Years

Table 17

Function/Program	Dept.	Fiscal Year 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GIS	101	N/A	N/A	N/A	N/A	N/A	1	1	2	2	3
Facilities	102	N/A	N/A	N/A	N/A	N/A	1	1	2	2	2
Information Technology	103	N/A	N/A	N/A	N/A	N/A	3	2	1	3	4
Finance	104	N/A	N/A	N/A	N/A	N/A	8	7	9	10	11
Library	105	2	2	3	2.5	3.5	3.5	3.5	2.5	5	5.5
City Secretary	106	1	1	2	3	4	2	1	1	2	2
Development Services	107	6	6	9	10	16	20	18	23	29	31
Administration	108	4	5	6	6	9	4	5	7	7	9
Municipal Court	109	1	1	1	2	2	3	2	2	2	2
Fire and EMS	110	11	11	16	19	22	41	41	42	46	60
Streets*	111	4	6	7	7	7	7	5	5	7	9
Police	112	8	12	17	19	21	27	30	33	46	54
Parks	113	4	5	5	7	7	8	7	11	14	15
Community Relations/Marketing	114	N/A	1	1	1	1	1	2	4	5	7
Engineering	115	N/A	N/A	4	6	6	9	8	13	15	16
Human Resources	116	N/A	N/A	N/A	N/A	N/A	2	3	3	3	4
Main Street	127	1	1	1	1	1	1	1	N/A	N/A	N/A
Total general fund		42	51	72	84	100	142	138	160	198	234
Water*	118	4	8	10	10.5	14	14	12	17	22	22
Wastewater*	119	2	3	4	5.5	7	8	7	7	12	13
Utility billing	120	N/A	N/A	N/A	3.5	N/A	3	3	5	6	6
Fleet	125	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1	1
Drainage/Stormwater*	124	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4	4
Total water and wastewater fund		6	11	14	19.5	21	25	22	29	45	46
Total FTE – all funds		48	62	86	103	121	167	160	189	243	280

* From Public works

City of Celina, Texas
Operating Indicators by Function
Last Ten Fiscal Years
(Unaudited)

Table 18

	Fiscal Year									
Function/Program	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Police										
Number of police officers	8	12	16	20	21	27	30	30	46	57
Average response time (in minutes)	6	6	6	6	5	8	9	6	10	14
Calls for service	10,882	18,322	18,414	13,422	14,852	17,231	20,402	18,537	18,374	24,059
Fire										
Number of calls answered	892	932	946	1,174	1,422	1,516	1,686	1,992	2,385	2,989
Number of firefighters	9	9	14	15	19	41	41	41	46	57
Number of EMS runs	480	457	521	641	704	796	885	1,093	1,353	1,664
Development Services										
Number of inspections	N/A	5,000	9,350	34,628	40,009	46,069	49,018	67,542	69,870	93,460
Total number of permits issued (all types)	N/A	1,126	1,688	3,021	2,925	2,548	2,908	4,296	3,783	4,477
Municipal Court										
Number of new cases filed	1,271	1,803	2,520	2,000	1,214	1,260	1,258	870	1,485	2,309
Fines & fees collected	259,496	311,869	471,843	400,000	222,750	196,932	211,828	183,228	284,663	348,259
Streets										
Miles of streets*	124	138	154	213	241	352	370	382	279	319
Miles of storm sewer	31	35	39	48	48	67	82	108	110	130
Acres of drainage right of way	7	8	9	9	9	9	11	15	15	15
Regulatory and warning signs	594	660	733	753	800	880	947	1,247	1,620	1,668
Water										
Gallons of water treated (in million gal.)	365	446	508	671	792	815	959	1,192	1,631	1,801
Miles of water lines	90	100	112	134	168	175	184	212	228	265
Number of valves	1,514	1,666	1,833	2,504	3,581	4,060	4,585	5,888	8,754	10,179
Number of fire hydrants	517	569	626	998	1,352	1,415	1,536	1,928	2,735	3,116
Number of water meters	2,986	3,351	3,875	4,598	5,948	6,862	8,135	9,908	10,754	13,616
Wastewater										
Gallons of WW treated (in million gal.)	132	147	85	180	209	229	194	199	179	221
Miles of sewer lines	61	67	74	94	122	138	142	168	174	201
Number of lift stations	13	12	11	11	11	11	11	11	11	11
Utilities										
Number of active customers	2,860	3,337	3,902	4,584	5,955	6,862	8,141	9,957	11,426	13,501
Number of new customers	956	1,273	1,597	2,054	2,464	2,682	3,764	1,465	1,469	2,075

*City Maintained, Before 2022, the number reported was miles of streets within the ultimate City boundary, which included streets maintained by City, County, State, and private entities.

Source: City Departments

City of Celina, Texas
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

Table 19

	Fiscal Year									
Function/Program	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	1	1	1	1	1	1	2	2	2	2
Library	1	1	1	1	1	1	1	1	1	1
Parks and Recreation										
Park Acreage	115.7	145.7	164.7	164.7	164.7	215.9	436.3	472	472	707
Public Parks	3	3	3	3	3	3	3	3	3	3
Streets										
Miles of Streets	124	138	154	213	241	352	370	382	279	319
Water and Wastewater										
Miles of Water Lines	90	100	112	134	168	175	184	212	228	265
Miles of Sewer Lines	61	67	74	94	122	138	142	168	168	201
Number of Lift Stations	13	12	11	11	11	11	11	11	11	11

Source: City Departments